

CHINA.

THE MARITIME CUSTOMS.

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Development, and Activities of the
Chinese Customs Service.

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Documents illustrative of the Origin, Development, and Activities of the Chinese Customs Service.

CIRCULAR No. 1780 (SECOND SERIES).

**Yangtze Lights: reorganisation of administration of; scheme
to come into operation on 1st May 1911.**

INSPECTORATE GENERAL OF CUSTOMS,
PEKING, *25th March 1911.*

SIR,

1.—The creation of the office of River Inspector in February 1906 marked a step forward in the organisation of Lights work on the Lower Yangtze. The old system by which each port Harbour Master, under his Commissioner, supervised the Lights and other aids to navigation in his district was, in principle, retained. But it was supplemented by the appointment of an additional expert,* whose special knowledge, strengthened by continual inspection and patrol, would be, it was hoped, of value to river navigation. The River Inspector, whose head-quarters were placed at Kiukiang, was to be, under the Coast Inspector, and subject to the Commissioners in whose districts he worked, an inspecting and advisory officer on the river, in much the same way as the Coast Inspector is on the coast. He was given special duties with regard to inspecting the aids to navigation, fixed and floating, the removal and marking of wrecks, the making of surveys, and with reference to work for the general facilitation of navigation. But the administrative work of tending light-boats and stations, the issue of pay and stores, and the appointment and control of staff were left in the hands of the Harbour Masters (under their respective Commissioners) in the three Lights districts—Chinkiang, Kiukiang, and Hankow—into which the Lower Yangtze has hitherto been divided.

2.—Good work has been done under this system, and the thanks of the Service and of the shipping are due to a series of able, zealous, and hard-working men. But there has been a certain conflict of jurisdiction. The River Inspector's authority is of an indefinite character, and he has had to depend upon his influence with the

* Captain H. E. Hillman, R.N., appointed River Inspector, February 1906.

executive officials for the carrying out of his recommendations. The various Harbour Masters concerned have, naturally enough, held varying ideas as to Lights management; and they are, moreover, liable to change and transfer. With the great growth of shipping on the Yangtze—the tonnage employed having trebled in the past 10 years,—due particularly to the rapid development of Hankow, the need for centralisation and co-ordination in the administration of the Yangtze Lights has become evident, and the time has come for another step forward.

3.—In view of the above considerations, I have now decided to establish a more uniform system of control, by which the Harbour Masters will discontinue their work in connexion with the Lights (except at Wuhu and Chinkiang, where they will represent the River Inspector, and except in so far as it is in their power generally to render assistance to the responsible Lights officers when required), and this work will be vested in one central authority—the River Inspector. The relations of the River Inspector *vis-à-vis* the Coast Inspector, whose representative on the river he may be considered to be, will remain as heretofore, and the authority of each Commissioner in his district will, of course, remain unimpaired. While operating in a Commissioner's district, the River Inspector will be under the orders of that Commissioner. But, subject to that authority, he will have control of his special Lights staff.

4.—Special instructions in this connexion will be sent to the ports concerned, and it will be sufficient to recapitulate here the main principles upon which the present scheme of reorganisation is based:—

- (a.) The Commissioners authority over the Lights administration of their districts is maintained.
- (b.) A new Lights district (Wuhu) is to be formed.
- (c.) The four Lights districts will be—
 - Chinkiang: Vine Point to Nanking.
 - Wuhu: Nanking to Tatung.
 - Kiukiang: Tatung to where the Matsushan touches the river below Wusüeh.
 - Hankow: from where the Matsushan touches the river below Wusüeh to Singti.
- (d.) The River Inspector's control of the technicalities of river work is to be made as effective as the existing Customs organisation generally admits of.

- (e.) At Hankow the executive control of aids to navigation is to be placed in the hands of a District River Inspector (Lights staff), a subordinate of the River Inspector, who will carry out the instructions of the River Inspector, subject to the approval of the Commissioner.
- (f.) At Kiukiang the executive control of aids to navigation is to be placed in the hands of the River Inspector under the Commissioner.
- (g.) At Wuhu and Chinkiang the executive control of aids to navigation will be placed in the hands of the Harbour Masters under their Commissioners, with, however, limitations of their functions as regards light-boats and channels, which will be placed in the care of the River Inspector under the Commissioners concerned.
- (h.) In all districts, matters of pay, discipline, and authority for expenditure rest entirely with the Commissioner, advised by the River Inspector and the District River Inspector (or, at Chinkiang and Wuhu, the Harbour Masters).

5.—The necessary appointments in connexion with the above scheme will be dated 1st May 1911, and it will rest with the Commissioners concerned, the Coast Inspector, and River Inspector to see that the arrangements here outlined come into operation as soon as feasible after that date.

I am, etc.,

F. A. AGLEN,

Officiating Inspector General, ad interim.

CIRCULAR No. 1790 (SECOND SERIES).

**Opium, Indian: Agreement of 1911 between China and Great Britain;
English and Chinese texts of, forwarded; Inspector General's
instructions *in re*, giving effect to.**

INSPECTORATE GENERAL OF CUSTOMS,
PEKING, 15th May 1911.

SIR,

1.—I enclose, for your information and guidance, copy of Shui-wu Ch'u despatch No. 1890, forwarding the Chinese text of the Opium Agreement of 1911, concluded by the Chinese and British Governments and signed at Peking on 8th May by the President of the Wai-wu Pu and His Britannic Majesty's Minister. An English version of the Agreement is also appended.*

2.—The Agreement, in 10 Articles and an Annex, confirms the Arrangement made by the two Governments in 1907† for the annual diminution of the export of opium from India during a period of 10 years from 1st January 1908, and introduces certain additional stipulations, the general effect of which will be to control at this end the quantity of opium allowed by India to leave for China during the next seven years, and, under certain conditions, to prohibit altogether its entry into portions of the Chinese Empire. It further raises the consolidated import duty levied in terms of the Chefoo Convention from *Hk.Tls.* 110 to *Hk.Tls.* 350 per picul—the increased levy to take effect on and after 8th May 1911,—and provides for the issue by the Indian Government of numbered export permits for each chest of Indian opium declared for shipment to China and for sealing of chests.

3.—It is the Annex, however, to which your attention is more particularly invited, and, in this connexion, a few preliminary words

* For subsequent developments in the suppression of the production and consumption of opium in China, *vide* published minutes of the meetings of the Opium Advisory Committee of the League of Nations, and the Reports of the First and Second Opium Conferences held by the League at Geneva from the 3rd November 1924 to 11th February 1925 and from the 17th November 1924 to 19th February 1925. *Vide* also British Parliamentary Papers, "Correspondence respecting the Opium Question in China," 1908; "Reports respecting the Opium Question in China," 1911, 1913, 1914; and "Correspondence respecting the Cultivation of Opium in China," 1921. J. P. Gavit in his book "Opium," London, 1925, gives in Chapter VI a brief but impartial account of the history of opium suppression in China between 1908 and 1925. For an account of the work of the National Commission for the Suppression of Opium, which was created in August 1928, *vide* "The Chinese Year Book," 1936-37, pp. 1428-1444.

† For text of this 10-year agreement *vide* MacMurray, *op. cit.*, vol. i, p. 865. *Vide antea*, vol. ii, p. 558.

are necessary to explain the position confronting the negotiators which gave rise to it. The action of the Indian Government in curtailing the export of opium under the 1907 Arrangement led to a rise in the prices realised at the Indian auction sales, and the effect on the opium market was such that by the beginning of the present year large stocks of unsold Indian opium had accumulated in the hands of the opium merchants and were lying stored either in Hongkong or in the Customs bonded godowns at Shanghai. A considerable portion of this stock formed part of the 1910 supply—the amount imported into China in that year having been short by some 5,000 chests of the Indian allowance,—and to this was added during the first four months of the present year opium permitted to leave India for China under the 1911 allowance, and also possibly some attracted from other parts of the world. The question therefore to be considered by the negotiators was how this accumulation of stored and bonded opium—amounting at one time to as much as 21,000 chests—should be treated in view of the proposed increased levy of duty and the strong anti-opium feeling in China. On the one hand, the Chinese Government desired a reduction of the amounts allowed by India to leave for China during the years 1912, 1913, and 1914 equal to the amount of accumulated stocks, and, on the other, the British Government desired that this rebate opium, as it may be called, should, while paying existing duty and likin, enjoy equal treatment with opium imported after date of signature of Agreement under certificates from the Indian Government and paying the increased consolidated duty. The position was complicated by the fact that it was known that the Indian Government, without waiting for an Agreement to be concluded, had from 1st January 1911 been issuing certificates for all opium exported to China, and that some of this opium had arrived and formed part of the accumulated stocks.

4.—In giving effect to the provisions of the Annex, which deals with the listing of uncertificated opium for subsequent deduction from Indian allowances and with the treatment of uncertificated Indian opium landed in China after 8th May, care will have to be taken to distinguish between the different categories composing the stocks contained in bonded godowns at the treaty ports and stored in Hongkong on 8th May—the date of signature of Agreement,—and I have accordingly to instruct you as follows:—

- 1°. Uncertificated Indian opium in bond in treaty ports—*i.e.*, not yet duty paid—listed by Commissioner and British Consul, as provided for in the Annex, on 8th May, will, on importation, pay duty and likin at the rate of *Hk.Tls.* 110 per picul and receive labels

of a new pattern and series ensuring equal treatment with certificated opium. It may also be re-exported in bond to other treaty ports.

2°. Uncertificated Indian opium listed in Hongkong on 8th May by the Kowloon Commissioner and the Colonial Authority will, on importation, pay duty and likin at the rate of *Hk.Tls.* 110 per picul and be labelled as provided in 1°. Such opium must, however, leave Hongkong for a Chinese treaty port within seven days of date of signature of Agreement, and must be covered by a special document issued by the Kowloon Commissioner. It may be landed in bond and re-exported in bond to other treaty ports.

3°. To all other uncertificated Indian opium the treaty ports of China, with the exception of Shanghai and Canton, are closed on and after 8th May 1911. At Shanghai and Canton only, non-listed uncertificated Indian opium may be landed for a period of two months, *i.e.*, until 7th July 1911. Such opium will, on importation, pay duty and likin at the rate of *Hk.Tls.* 350 per picul and receive labels as provided in 1°. A special return of this uncertificated opium is to be kept by the Custom Houses concerned. You will note that it cannot be re-exported in bond to other treaty ports, and that the final closing of all ports to non-listed uncertificated Indian opium is contingent on the obtaining by the Chinese Government of the consent of the other Treaty Powers.

4°. Certificated Indian opium imported direct or *ex* bond on and after 8th May will pay duty and likin at the rate of *Hk.Tls.* 350 per picul and be labelled as provided in 1°. It may be freely re-exported in bond.

5.—The ports which have listed uncertificated opium on 8th May are to send forward their returns, duly signed by Commissioner and Consul, as soon as they are complete. A separate return, not signed by Consul, is to be supplied to myself, giving particulars of all Indian opium lying in Customs bonded godowns at time of listing, and distinguishing between—

(a.) Uncertificated Indian opium *in bond*, *i.e.*, not yet duty paid (listed).

- (b.) Certificated Indian opium *in bond*, i.e., not yet duty paid.
- (c.) Certificated and uncertificated Indian opium duty paid but not yet labelled or released from Customs control. (You will note that this opium is not to be called upon to make up the increased consolidated duty before release.)

6.—As regards the identification of uncertificated opium in bond on 8th May, instructions have already been sent by telegram to the ports concerned, to the effect that should evidence regarding non-certification not be conclusive, bonds are to be taken in all doubtful cases, after investigation by Consul and Commissioner, for the increased consolidated duty before the opium is released.

7.—The Agreement having now been concluded, you are in future to require production of Indian Government numbered export permits or certificates in the case of all Indian opium *landed* at treaty ports, with the exception of Hongkong listed opium arriving under special Kowloon document. At all ports other than Shanghai and Canton, Indian opium which cannot produce certificates is to be refused Landing Permit.

8.—The increased duty and likin authorised by the Agreement is apportioned as follows:—

Duty, *Hk.Tls.* 70;

Likin, *Hk.Tls.* 170.

Separate figures are to be given in the Monthly and Quarterly Revenue Returns for the old and increased duty and likin collections, according to a *pro formâ* which will be issued in a Chinese Secretary's Note.

9.—A later Circular will deal with the question of opium labels, when some points still under consideration have been settled.

I am, etc.,

F. A. AGLEN,

Officiating Inspector General, ad interim.

ENCLOSURE.

稅務處割行代理總稅務司

爲割行事本年四月初十日准外務部咨稱本部與英朱大臣續訂禁烟條件已於本日簽字所有關於各
海關應行標記存棧之洋藥暨簽字後立即加稅各事宜照錄條件全文咨行查照轉飭代理總稅務司遵
照辦理等因前來除分別咨割外相應刷印條件割行代理總稅務司轉飭各關稅務司遵照辦理可也須

至割者附條件 宣統叁年肆月拾伍日

處字第壹千捌百玖拾號

CIRCULAR No. 1800 (SECOND SERIES).

Opium, Indian: 1911 Sino-British Agreement; Memorial and
Edict, etc., *re*, put on record.

INSPECTORATE GENERAL OF CUSTOMS,
PEKING, 26th May 1911.

SIR,

In continuation of Circular No. 1790:

Indian opium: Agreement of 1911 between China and
Great Britain:

I now send you, for the purpose of record, copies of the Wai-wu Pu's Memorial submitting this Agreement to the Throne and of the Imperial Edict issued in response, together with a copy of the forwarding despatch of the Shui-wu Ch'u. The documents are recommended to you for careful perusal.

I further enclose a copy of the Board's letter communicating the Tu-chih Pu's decision in the matter of the apportionment and returns treatment of the additional duty (*Hk.Tls.* 70) and likin (*Hk.Tls.* 170) on foreign opium, in which connexion instructions were issued in § 9 of the Circular quoted.

I am, etc.,

F. A. AGLEN,
Officiating Inspector General, ad interim.

ENCLOSURE No. 1.

稅務處劄行代理總稅務司

爲劄行事本年四月十三日准外務部咨稱宣統三年四月十一日本部具奏禁烟已滿三年與英使續訂條件以期禁絕一摺同日奉

上諭禁烟前定十年遞減原因舊染已深稍寬其限以冀收拔本塞源之效惟爲民社害但能從速禁革自當切實進行俾可早竟全功永除痼疾本日據外務部奏稱禁烟已滿三年與駐京英國使臣續訂條件於未滿之七年期內如土藥概行禁絕則洋藥亦概禁運進口無論何省隨時可提前辦理等語洋藥之禁運應視土藥之禁種爲斷現擬分省辦理土藥能早一日禁絕洋藥即早一日停運所議辦法尙屬妥協至增加洋藥稅釐並土藥同時加稅仍爲寓禁於徵起見應飭立即施行其各省對於洋藥大宗貿易之各項限制及徵收各捐著即停止以免紛煩新增稅釐亦不過暫資彌補朝廷亟欲與民更始財力雖絀決不顧惜此宗進款一俟各省實行禁運即應另行籌款抵補此時惟有嚴申禁令務期早絕根株著民政部度支部暨各督撫迅將禁種禁吸禁運各事宜益加認真整頓督飭剋期辦到一律斷絕庶幾克慰國民願望之同情無負友邦贊成之美意實有厚望焉將此通諭知之欽此相應恭錄

諭旨刷印原摺暨條件咨行查照欽遵辦理等因前來查續訂禁烟條件前准外務部咨送當經本處照錄劄行在

案茲准前因相應恭錄

諭旨鈔錄原奏劄行代理總稅務司查照轉飭各關稅務司欽遵辦理可也須至劄者

宣統三年肆月貳拾貳日

處字第壹千玖百捌號

照錄外務部原奏

奏爲禁烟已滿三年與駐京英國使臣續訂條件以期從速禁絕恭摺仰祈

聖鑒事竊查臣部前與英使商定禁烟辦法自西曆一千九百八年正月印度洋藥運入中國每年遞減十分之

一十年減盡並聲明試行三年如中國於栽種及吸食實已減少屆期再議續行遞減計至宣統二年十一月

已屆三年期滿英使初猶以禁種禁吸應舉出實已減少憑據爲言旋亦承認中國禁烟確著成效應允續訂

辦法迭經臣部派員與之會商於申明原議之中更詳酌未盡事宜本應於上年限滿以前議定施行因議縮

期禁絕更求進步迄今又經數月往返磋商已至無可再商乃與訂定條件簽字互換於原訂辦法修改益臻

妥協舉其要義約有三端一洋藥禁運進口可以縮短年限分省辦理也原議十年遞減係因試辦之初施禁

不宜太驟今辦理三年成績已著自可趁此速迅消除以免懈弛茲訂明於未滿之七年期內如土藥禁種不到七年已概行禁絕則洋藥亦同時概禁進口且除廣州上海二口應歸最後禁運外無論何省栽種業已斷絕並經禁止他省土藥入境則洋藥亦禁止運入該省似此隨時可提前辦理在我既有自由之權設或各省情形難易不同未能一律辦到卽以分省禁斷之法行之得步進步尤有把握縮短十年之限必可拭目而待一運入中國之洋藥編號結單加貼印花以嚴限制也原議遞減洋藥箱數係以五萬一千箱爲原有之定額惟查印度洋藥除運入中國外尚有運往他處者每年約一萬六千箱不在原議遞減之列當時亦未籌及防限之法此項洋藥若從他處轉入中國無可稽查雖統計前三年進口箱數並未有逾限定額數惟以後運入中國者既遞漸減少難保商人不挹彼而注茲亟應設法嚴防茲議定自本年起凡運入中國之洋藥由印度政府按箱編號給予准單並粘貼印花嗣後無准單及印花之洋藥一概不准運入中國各口從前所議辦法原有允中國派員赴印查看售運洋藥之條今卽實行派員前往查看加貼印花並由印度政府將准單抄交該員先行寄回中國海關以憑查驗似此則運往他處之洋藥無從而轉入中國防範更爲周密其現已進口存在關棧未粘印花之洋藥另訂辦法作爲附件將查明總數分攤三年扣除俾減運額數益加核實一增加

進口稅釐以期暫可抵補各省捐款也近年各省自禁煙以來辦理牌照等捐於土膏兩項未盡分晰英使以爲有違煙台續增專條迭來抗論交涉幾無虛日查該續增專條祇言洋藥未經拆包無須再完稅捐若收捐於熬土成膏之後原不在該約範圍以內至牌照捐本所以稽核吸戶亦與條約無涉無如各省辦捐輒就土計膏以期簡便故英使於此次續議所最注重者必須將廣東等省對於洋藥大宗貿易之各項限制及徵收各捐立即消除情願增加進口稅釐以免種種捐項之苛煩臣等與度支部往返密商各省牌照等捐收數既鉅若不籌議抵補於財政必形困難惟有酌量加稅尙不失爲寓禁於徵之意因與英使一再磋商議定洋藥每箱百觔原完稅釐併徵銀一百十兩者加至三百五十兩中國所產之土藥亦酌加按照價值比例相同之稅同時起徵以昭平允以上三端既足以敦促禁令之進行嚴防逾額之私運卽稅捐問題之交涉亦因而解決自必於禁煙前途可冀獲美滿之效果至膏牌等捐各省辦法既多與約未符卽使不議禁煙條件亦礙難固執不改況不允停辦則此次條件決難成議遞減之約一經取消恐於禁煙大局殊多妨碍不得已而議加稅以償所失英使旣一再退讓增至比原額加二倍有餘自應允其所請將各項不合條約之捐概行停撤其各省現行之牌照捐如果循名責實專係稽察零售取締吸戶爲禁煙功令所不可少者仍可查明准其照辦

以免因噎廢食應由民政部度支部會同酌核另定劃一章程俾各省遵照辦理總期與條約無所違碍而於煙禁益加嚴密乃爲妥善除土藥應行同時加稅已由臣部咨行度支部奏明辦理外謹將與英使所訂禁煙條件暨附件繕具清單恭呈

御覽伏候

命下立飭施行抑臣等更有請者方今舉國臣民於禁煙之舉異常踴躍提倡速禁籲請廢約者稟電紛呈輿情固出於熱誠而權衡彼我之間辦法未便過於操切自當求其有濟茲既將十年遞減之定限參以活期復有分省禁斷之便宜無虞牽掣不可謂非友邦之竭誠相助祇視在我能否迅赴時機應請

飭下民政部暨各省督撫嚴申法令認真整頓以期禁種禁運禁吸可以尅期收效次第廓清庶幾克副國民之希望而造世界之幸福所有臣等與駐京英國使臣續訂禁煙條件各緣由理合恭摺具陳伏乞

皇上聖鑒訓示謹

奏

ENCLOSURE No. 2.

稅務處函致代理總稅務司

逕啟者洋藥增加稅釐一事現准度支部函稱洋藥稅釐向係每担收銀壹百壹拾兩內計稅銀叁拾兩釐銀捌拾兩現在洋藥增加稅釐業經定議不日實行所有此項新加稅釐銀兩應作為新增另存之款由各關稅司於清摺內分晰開報以清界限作為加稅銀柒拾兩加釐銀壹百柒拾兩等因應請閣下查照度支部函開各節通飭各關稅務司遵照辦理為要順頌

日社宣統叁年肆月初拾日

CIRCULAR No. 1802 (SECOND SERIES).

Postal Service, Imperial: separation of, from Imperial Maritime Customs;
I.G.'s thanks to Customs Staff for work done. Functions of I.G.
of Posts transferred to Mr. T. Piry, appointed Postmaster
General under H.E. Li Ching-fang, Director
General of Posts in Yu-ch'uan Pu.

INSPECTORATE GENERAL OF CUSTOMS,
PEKING, 30th May 1911.

SIR,

1.—An important stage in postal development and progress has now been reached, and this Circular, the last that will appear in the Customs series bearing a postal number, is to inform you that I am to-day handing over charge of the Imperial Chinese Posts to Mr. T. Piry, appointed by Imperial Decree Postmaster General under the Ministry of Posts and Communications.*

To those who have studied postal affairs in recent years, the step now taken will come as no surprise. Ever since the establishment, in 1906, of the Yu-ch'uan Pu, it has been evident that, sooner or later, the Postal Administration would be brought under the direct control of the proper Board, and that its continuance as a department of the Imperial Maritime Customs was only a question of time. By deferring the act of separation until the ripe fruit was ready to drop from the parent tree, the Chinese Government has shown its wisdom and the confidence it has reposed in its Customs advisers.

While step by step the paths of Customs and Posts have been gradually diverging, orderly preparations have been quietly made to meet the situation of to-day, and the result has been that the Customs Service is now in a position to hand over a Postal Administration in all respects adapted to the requirements of the East and yet embodying many of the most important features of Western practice. It will, I feel convinced, be a matter of very general regret that circumstances have made it impossible for the Inspector General to present in person to the Chinese Government the Service he created and nursed with such unremitting care through all the difficult and trying years of infancy. But it must give him the greatest satisfaction to feel that the words he used 15 years ago, when notifying to the Service the receipt of an Imperial Decree establishing the Imperial Chinese Post, have been more than justified, and that the day has come which sees "the Imperial Post functioning

* *Antea*, vol. ii, pp. 488, 676.

widely and fully appreciated, the people finding in it and its developments an everyday convenience and the Government a useful servant."

2.—The enclosed correspondence with the Shui-wu Ch'u will acquaint you with the more immediate steps which have led to separation and the arrangements sanctioned by the Yu-ch'uan Pu, whereby the Postal Staff, foreign and Chinese, is assured of continued and useful employment under regulations regarding pay, promotion, leave, and retiring allowances which have been laid down by the Inspector General and which are to continue in force.

The Board's Memorial appended to the correspondence enclosed expresses in terms complimentary to the Customs Service the Chinese Government's appreciation of postal work performed and progress made, and pays a well-earned tribute to the Postal Secretary, Mr. Piry, for his share in the administration. The Memorial also lays down the policy to be pursued in the future, and places on record the debt incurred by the Postal Administration to the Imperial Maritime Customs. You will see that the Postmaster General (總辦) will be subordinate to a Director General (局長), who will occupy a position in the Ministry analogous to that of an Under Secretary of State, and that for the present the holder of this office will be His Excellency Li Ching-fang (李經方). The instructions received direct from the Yu-ch'uan Pu in regard to the changes now made will be communicated to the Postal Staff by the Postmaster General.

3.—I cannot conclude this Circular without expressing, in the name of the Inspector General, Sir Robert Hart, the thanks which are due to all those members of the Customs Service, past and present, who have borne the burden and heat of the day and whose efforts have contributed so much to the success that has been achieved. The position won has not been attained without sacrifices in which all have taken a share, many receiving no other reward than the consciousness of work well done. The Service, in bidding farewell and wishing all prosperity to the Administration which has sprung from it, will, I feel sure, continue to take the friendliest interest in, and always work in the closest harmony with, the Imperial Post Office.

I am, etc.,

F. A. AGLÉN,

Officiating Inspector General, ad interim.

ENCLOSURE No. 1.

稅務處劄行代理總稅務司

爲劄行事宣統三年四月初三日准郵傳部咨稱本部分年籌辦郵政一摺於宣統二年九月初二日具奏奉

旨依議欽此業經恭錄

諭旨鈔錄原奏清單咨行貴處在案嗣陸軍部奏准將所管驛站事宜移交本部接管鈔奏咨行到部並經兩次咨催當以驛站事宜根於郵政應俟本部接收郵政後再行訂期接收驛站等因咨復亦在案查本部原奏清單辦理交接郵政一條列在宣統二年項下去歲憲政編查館頒布行政綱目亦以本部管轄郵政應及早收回來相督責本部責成所在更不能不提前趕辦相應咨行查照希即將郵政事宜尅期移交以便接管而促進行並希見復等因前來查此事於上年七月間劄據總稅務司將交接辦法繕具節略申由本處鈔錄咨行郵傳部核辦在案茲復准咨催前因本處現擬將郵政事宜定於本年五月初一日移交除咨復郵傳部外相應劄行代理總稅務司即將郵政交替事宜先期準備迅速申復以憑辦理可也須至劄者宣統叁年肆月拾貳日

代理總稅務司申復 稅務處

爲申復事竊奉本月十二日

鈞劄以准郵傳部咨稱本部原奏辦理交接郵政一條列在宣統二年項下責成所在不能不提前趕辦希即將郵政事宜尅期移交以便接管等因本處現擬將郵政事宜定於本年五月初一日移交相應劄行代理總稅務司即將郵政交替事宜先期準備迅速申復以憑辦理等因奉此伏釋

鈞劄語意當悉五月初一日移交之後

鈞處卽與郵政無關惟未明言劃出新關之事本月十五日 代理總稅務司在

鈞處面謁

中堂請示蒙

囑俟先商定再行示遵旋念如果有劃出新關之舉則限期在邇必須預籌各項要端正在思維適蒙

宮保大臣盛 光臨敝署互談之際議及交替郵政並議郵政總辦帛黎委以何項官階當將預繕之要義五

條呈交手閱茲特另紙附錄以備參觀查郵政劃出新關一節有最要之事宜兩項一總稅務司奉

旨開辦管理郵政按新關辦法另行揀用人員並與各國簽定郵約一切責成甚重如將其事交卸必接手之洋員仍有相同之職務俾足以下綰所屬外洽聯郵一郵政總辦帛黎繼續其後卽負總稅務司擔荷之責成該員

開去底缺之先必其職位權限已定確與所當之重任相符該員始能放懷接手並其轄下始能信仰無疑總之附呈之五條如蒙准行則劃分開缺各事並無阻礙且與新關郵政兩有所宜惟在未奉到

鈞示之前代理總稅務司應仍照常管理郵政以重要務所有申明交替郵政內有關於緊要各緣由合行備文復請

鈞處鑒核轉復可也須至申復者附鈔一件 宣統三年肆月貳拾柒日

關字第壹千肆百貳拾肆號

鈔件漢洋文合璧另錄

稅務處劄行代理總稅務司

爲劄行事准郵傳部咨稱郵政司案呈本部於宣統三年四月二十八日奏明定於五月初一日接管郵政本日欽奉

諭旨郵傳部會奏郵政定期接管以歸統一摺著依議欽此欽遵相應粘鈔原奏恭錄

諭旨咨行查照欽遵迅即轉飭總稅務司辦理等因前來相應恭錄

諭旨鈔錄原奏劄行代理總稅務司欽遵可也須至劄者附鈔件
宣統叁年肆月貳拾玖日

處字第壹千玖百貳拾玖號

照錄郵傳部原奏

奏爲郵政定期由郵傳部接管以歸統一而符名實恭摺仰祈

聖鑒事竊查憲政編查館奏定行政綱目規定郵傳部郵政司掌全國郵政註明郵政局現在由稅務司辦理亟應改歸郵傳部又查宣統元年八月憲政編查館會同覆核各衙門九年籌備清單內開郵傳附屬稅務司本在未設專部以前風氣未開暫歸管轄今既有專官自應責成該部堂官會商稅務大臣籌備收回方法以符名實各等因均經奉

旨允准郵傳部卽於上年奏陳分年籌備郵政繕具清單恭呈

御覽宣統二年九月初二日奉

旨依議欽此本年四月咨商稅務大臣將郵政事宜剋期移交以便接管旋據復稱定於本年五月初一日移交已札行代理總稅務司將交替事宜先期准備等語臣宣 卽與代理總稅務司安格聯面議交接大概情形查郵政始於光緒二十二年二十四年先後奉

旨推行沿江沿海各省暨內地水陸各路名爲大清郵政

敕下外務部轉飭總稅務司赫德兼司其事經赫德遞派稅務司帛黎爲總辦歷十數年各省通行郵政共有六百餘局又代辦四千二百餘處並與數國訂立往來互寄之合同與郵傳部所辦之電報相似辦理頗有成效總稅務司並因郵政進款入不敷出請外務部核准由新關項下每年指撥協濟款七十二萬兩每年實交不過三十餘萬兩據報宣統元年止海關實墊銀一百七十八萬餘兩臣等查總稅務司兼辦以來實屬著有勞勩其所用稅務司帛黎專辦郵政井井有條尤爲難得之人才此次歸部收回尤須認真推廣務使驛站由漸裁撤郵局由漸加增並欲試辦儲蓄爲裕

國足民之計歐亞各國郵政與電報儲蓄本屬鈎連惟茲事重大全在得人力杜因循苟且之習自不難收與年俱進之功夫行政必先具大綱乃可徐籌細目郵傳部奉

旨設立四政奏明各設總局照章奏派局長各專責成郵政關係二十二行省與船路電三政以及驛站銀行皆有互相維繫之處歸部以後既不歸總稅務司兼轄自應在部設立郵政總局照章派一局長以資承接局長之下應派總辦一員會辦一員總司其事所有郵政總局局長一時不易得人署郵傳部左侍郎李經方淹貫西學出使多年兼綜鐵路總局將及半載悉心整頓不辭勞怨措置裕如今不得已擬請仍援鐵路局辦法卽由

李經方暫行兼署其郵政總辦一員擬以二品銜三等第一寶星帛黎派充其稅務司原缺並由郵傳部知照外務部轉飭開除會辦一員擬俟選擇有人再行奏派 臣宣 與帛黎數次接晤稔知其爲人具有忠心所辦郵政有條不紊以之派充總辦實爲資其剋始熟手起見至該總局用人辦事大概均可酌量摹仿海關遞升章程應如何釐定科目詳細規則容俟 臣宣 與局長督同總辦及郵政司員妥慎籌畫再行陸續陳奏請旨核定其郵政款項自接收之日起應卽歸部設法籌備海關以前墊款若干俟稅務處將款項帳冊移交過部之後郵傳部再與度支部會商如何分年陸續籌還之法另行會奏所有定期接收郵政緣由理合會同恭摺具陳是否有當伏乞

皇上聖鑒訓示再此摺係郵傳部主稿 臣等一再會商意見相同合併聲明謹

奏

隨處字第壹千玖百貳拾玖號

稅務處劄行代理總稅務司

爲劄行事查移交郵政一事前准郵傳部咨催當經本處定於本年五月初一日移交咨復查照並劄行代理總稅務司將郵政交替事宜先期準備嗣於四月二十七日據代理總稅務司呈送交替郵政要義五條經本

處於四月二十八日咨行郵傳部查照核辦旋准郵傳部咨稱本部於宣統三年四月二十八日奏明定於五月初一日接管郵政本日欽奉

諭旨郵傳部會奏郵政定期接管以歸統一一摺著依議欽此欽遵粘鈔原奏恭錄

諭旨咨行查照欽遵迅即轉飭總稅務司辦理等因即經本處飭行代理總稅務司欽遵各在案本處已於本月初一日將郵政案卷全數移交郵傳部接收清楚相應飭行代理總稅務司查照可也須至飭者
宣統三年五月初貳日

處字第壹千玖百叁拾號

稅務處飭行代理總稅務司

爲飭行事前據代理總稅務司申稱奉鈞飭擬將郵政事宜定於本年五月初一日移交查郵政劃出新關一節有最要之事宜兩項一總稅務司奉

旨開辦管理郵政按新關辦法另行揀用人員並與各國簽訂郵約一切責成甚重如將其事交卸必接手之洋員仍有相同之職務俾足以下綰所屬外洽聯郵一郵政總辦帛黎繼續其後即負總稅務司擔荷之責成該員開去底缺之先必其職位權限已定確與所當之重任相符該員始能放懷接手並其轄下始能信仰無疑附呈五條如蒙准行則劃分開缺各事並無阻礙且與新關郵政兩有所宜等情當經鈔錄附呈之五條咨行郵

傳部查照辦理去後茲准復稱郵政劃出新關既有最要之事宜兩項自應期前酌定俾新關郵政兩有所宜
惟據附呈之五條雖將各要端列明其第一二兩條尚有未合應再略加刪改以臻完善其第四條業經奏明
奉

旨依議在案至第三第五兩條均可准行應將改就之第一第二兩條暨後二條全行附錄並有本部特擬宣示華
洋兩班人員安心辦公之通割兩件一併鈔出咨送查照即希轉飭該代理總稅務司知照如經申復遵辦限
期在邇即請迅行咨復以便本部一面逕行割飭郵政總辦帛黎遵照一面將通割兩件發交該總辦分別宣
示華洋兩班人員一體遵悉等因前來相應鈔錄原件割行代理總稅務司知照可也須至割者 附鈔件 宣統
叁年伍月初叁日

處字第壹千玖百叁拾叁號

照錄郵傳部附錄五條並通割

一現任郵政總辦帛黎即派充總辦一缺上承郵傳部經理郵政事務該員由正式公文委派於交替之前發給
領收

二交替後所有郵政事務統歸郵政總局局長督理其經理各局暨所用各項人員應照總稅務司看待稅務人
員之法由局長督同總辦斟酌施行

三在事之華洋郵政人員凡經總稅務司准定者現在均仍定用卽按現行之郵政章程所有留用及薪水陞階請假養老等事均照在總稅務司轄下時無異

四 已於四月二十八日奏明奉

旨依議在案

五新關歷年撥墊以助郵政暫行浮用之經費應由郵傳部承認歸還交由總稅務司查收俾得將新關緩辦各要事繼續舉辦

郵傳部爲通飭事照得郵政現歸本部管理所有在事之郵政華班人員無論現在嗣後均按現行之郵政章程所有留用及薪水陞階請假養老等事仍與在總稅務司轄下時無異仰各該員一體遵悉務各安心辦公勿懷疑慮爲此通飭交由郵政總局備案一面將此通示各華員周知可也此飭

郵傳部爲通飭事照得郵政現歸本部管理所有在事之郵政洋班人員無論現在嗣後均按現行之郵政章程所有留用及薪水陞階請假養老等事仍與在總稅務司轄下時無異仰各該員一體遵悉務各安心辦公勿懷疑慮爲此通飭交由郵政總局備案一面將此通示各洋員周知可也此飭

ENCLOSURE No. 2.

SUB-ENCLOSURE TO I.G. DESPATCH No. 1424
TO SHUI-WU CH'U.

給 領 收	替 之 前 發	委 派 於 交	正 式 公 文	務 該 員 由	理 郵 政 事	郵 傳 部 管	承	郵 政 司 上	即 派 為 總	總 辦 帛 黎	一 現 任 郵 政
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I.

The present Postal Secretary, Mr. Piry, is appointed Tsung Yu-chêng-ssü in charge of the Postal Service under the Yu-ch'uan Pu: the despatch of appointment will be received before the date of handing over charge.

與 正 堂 直 接 來 往	遵 辦 遇 事 似 亦 應	員 申 請 堂 憲 候 示	一 切 事 宜 則 由 該	施 行 至 關 於 郵 政	理 稅 務 之 法 參 酌	應 照 總 稅 務 司 管	總 郵 政 司 處 置 似	各 項 人 員 統 歸 該	各 局 事 務 及 所 用	二 交 替 後 所 有 郵 政
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II.

After assumption of charge, the control of the executive of all postal affairs, of the Post Offices, and the entire Postal Staff will be in charge of the Tsung Yu-chêng-ssü, in a manner similar to that of the control exercised by the Inspector General of Customs over the Customs Administration.

On all matters of postal policy, the Tsung Yu-chêng-ssü will refer to the President or Vice-Presidents of the Ministry for their instructions, and, when circumstances demand, he shall have direct relations with the former.

無 異	稅 務 司 轄 下 時	等 事 均 照 在 總	陞 階 請 假 養 老	久 留 用 及 薪 水	政 章 程 所 有 長	即 按 現 行 之 郵	現 在 均 仍 定 用	稅 務 司 准 定 者	政 人 員 凡 經 總	三 在 事 之 華 洋 郵
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III.

All appointments of employés to the Postal Service made by the Inspector General of Customs are hereby confirmed, and, subject to the Service regulations hitherto in force, all men will enjoy the same advantages in respect of continued employment, pay, promotion, leave, and retiring allowances as hitherto accorded to them under the Inspector General.

知	各局周	行宣示	大部通	由	辦一面	諭旨飭准照	奉	應請奏	之各節	條所陳	四以上三
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IV.

The provisions of the above three articles will be confirmed by Imperial Edict and communicated by the Ministry to all Post Offices in clear terms.

繼續舉辦	辦各要事	將新關緩	查收俾得	總稅務司	歸還交由	大部承認	費應由	浮用之經	郵政暫行	撥墊以助	五新關歷年
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V.

The sums advanced year after year by the Customs to the Postal Administration to make good the deficit in its working will be repaid by the Yu-ch'uan Pu to the Inspector General of Customs, to enable him to proceed with various important schemes for the benefit of the Service, which have been long deferred on account of these advances to the I.P.O.

CIRCULAR No. 1809 (SECOND SERIES).

Customs and Postal Administrations: separation of; future dealings between, while continuing former good relations, to be on strictly business footing; I.G.'s remarks and instructions.

INSPECTORATE GENERAL OF CUSTOMS,
PEKING, 15th June 1911.

SIR,

In continuation of Circular No. 1802:

Notifying separation of the Postal Service from the Imperial Maritime Customs:

I have now to instruct you to note that from the date of separation of the two Services all relations between the Customs and the Posts are to be considered as placed on a strictly business footing. These instructions are not, however, to be understood as implying in any way the cessation of the many little acts of friendship, accommodation, and mutual assistance which have hitherto been rendered and for which there will probably always remain occasion, especially at the smaller ports. It is my desire that the two Services shall continue to work side by side in the closest harmony and in a spirit of the most cordial co-operation in furtherance of the aim and object common to both—the welfare of the Chinese people and the interests of the Government. What is meant is that the Customs Service is no longer called upon to furnish accommodation, render services, or afford the use of material, gear, stores, etc., to any extent, which may be looked upon as direct “out-of-pocket” expense or as ultimately entailing an increased charge on Customs resources, without placing such assistance on a business footing through the medium of an adequate rent or remuneration.

Wherever the above remarks may apply, the officer in charge of Customs, Native Customs, or Likin Collectorate is to arrange as far as possible locally with the officer in charge of the postal district concerned, either for the relinquishing of the accommodation or assistance gratuitously afforded or for its continuance against a reasonable and proper charge.

The result of any such local arrangement is to be reported for my approval.

I am, etc.,

F. A. AGLEN,
Officiating Inspector General, ad interim.

CIRCULAR No. 1810 (SECOND SERIES).

Inspectorate General of Customs: I.G., Sir Robert Hart, granted further extension of leave; Mr. F. A. Aglen, Deputy Inspector General, appointed Acting Inspector General of Customs.

INSPECTORATE GENERAL OF CUSTOMS,
PEKING, 17th June 1911.

SIR,

With reference to Circular No. 1681:*

Inspectorate General of Customs: Inspector General, Sir Robert Hart, granted extension of leave; Mr. F. A. Aglen, as Deputy Inspector General, to take charge of, pending Inspector General's return:

and to Circular No. 1687:†

Notifying assumption of charge of Customs Service by Mr. F. A. Aglen as Officiating Inspector General, *ad interim*:

I now send you, enclosed, copy of Shui-wu Ch'u despatch No. 1959, from which you will see that, in response to a Memorial submitted to the Throne by Their Excellencies the Ministers of the Shui-wu Ch'u, an Imperial Rescript has been issued granting Sir Robert Hart a further extension of one year's leave and appointing myself Acting Inspector General of Customs.

I am, etc.,

F. A. AGLEN,

Acting Inspector General.

* *Antea*, vol. ii, p. 693.

† *Antea*, vol. ii, p. 697.

ENCLOSURE.

稅務處劄行署總稅務司

爲劄行事本處於宣統三年五月二十日具奏總稅務司赫德因病未痊懇請續假並請派安格聯署
理總稅務司員缺一摺本日欽奉

諭旨稅務處奏總稅務司赫德因病未痊懇請續假並請派安格聯署理總稅務司員缺一摺赫德著再賞
假一年餘依議欽此相應恭錄

諭旨鈔錄原奏劄行署總稅務司查照欽遵可也須至劄者附鈔件
宣統叁年伍月貳拾壹日

處字第壹千玖百伍拾玖號

奏爲請

旨事竊總稅務司赫德前於光緒三十三年十二月間因患病請假回籍就醫經臣處據情奏

聞當蒙

恩賞給尙書銜以示優異嗣於宣統二年二月間以病仍未痊懇請開缺復經臣處代奏欽奉

諭旨著再賞假一年等因欽此轉飭遵照在案茲據赫德函陳現在假期又滿本應力疾回華奈病體羈留未能如願可否再懇續假一年以資調攝等語臣等伏查總稅務司赫德自咸豐九年到關洊擢今職統計前後綜理權務五十餘年心力交殫賢勞懋著今因病未全愈尙難回華供職委係實在情形合無仰懇天恩再賞假期一年俾得安心靜養出自

逾格鴻施至總稅務司一缺事繁責重上年經臣等

奏請以副總稅務司安格聯暫行代理在案該員任事年餘措施優裕擬請卽以安格聯署理總稅務司篆務以資熟手而專責成所有總稅務司因病續假並派員接署緣由理合恭摺具陳伏乞

皇上聖鑒訓示謹

奏

CIRCULAR No. 1828 (SECOND SERIES).

Cotton: adulteration of, by watering: Nung-kung-shang Pu's
Memorial and Imperial Edict *re* steps to be taken to stop
abuse; concerted action to be taken by Shanghai
Anti-Cotton Adulteration Association and
Customs; I.G.'s instructions *re*.

INSPECTORATE GENERAL OF CUSTOMS,
PEKING, 21st August 1911.

SIR,

I enclose copy of Shui-wu Ch'u despatch No. 2069, communicating an Imperial Edict issued in response to a Memorial from the Nung-kung-shang Pu, dealing with that long-standing and growing abuse—the watering of raw cotton for export. You will see that the provincial authorities are ordered to enforce regulations prescribing penalties and providing for rewards to be issued by the Board, and that special emphasis is laid on the action to be taken at Shanghai, at which port the Customs are to co-operate and assist. Special instructions have been issued to the Shanghai Commissioner in this connexion, and in the meanwhile I have to call on the Commissioners at other ports where cotton is a staple export to study this question carefully and to report if any, and what, action they could legitimately take towards checking the evil denounced. From the copy of the Board's Memorial, also enclosed, you will see that reference is made to the Cotton Anti-Adulteration Association, recently formed at Shanghai by Chinese and foreign exporters and consumers of raw cotton. That Association, with Customs assistance, is likely to prove a very efficient means of checking the abuse so far, at any rate, as export is concerned; and other ports, *e.g.*, Tientsin and Hankow, where the cotton trade is assuming important dimensions, might do well to concert action on similar lines.

I am, etc.,

F. A. AGLEN,
Acting Inspector General.

ENCLOSURE.

稅務處劄行署總稅務司

爲劄行事宣統三年閏六月十八日准農工商部咨稱宣統三年閏六月十六日內閣奉

上諭農工商部奏整頓棉業攙雜水泥諸弊一摺棉花爲土貨大宗每年出口爲數甚鉅亟宜推廣銷場力圖進步乃內地商販希圖小利往往攙雜水泥致與行銷有碍於棉業前途所關匪細著該部妥訂檢查辦法明定罰章通行各省一律遵辦上海爲通商巨埠尤宜加意防維著督辦稅務大臣飭由滬關切實查驗並著南洋大臣飭上海商務總會遴選通曉棉業人員幫同經理果能辦有成效准由該部奏明給獎以清積弊而闢利源欽此應恭錄

諭旨刷印原奏咨行貴大臣欽遵並飭各海關一體遵辦等因前來相應恭錄

諭旨鈔錄原奏劄行署總稅務司欽遵轉飭江海關稅務司遵照辦理並通飭各關稅務司遵辦可也須至

劄者附鈔件 宣統叁年閏陸月貳拾貳日

處字第貳千陸拾玖號

照錄農工商部原奏

奏爲整頓棉業嚴禁攙雜水泥諸弊恭摺具陳仰祈

聖鑒事竊維中國出口貨品絲茶而外棉爲大宗前經欽奉

諭旨禁種罌粟由臣部飭將種烟地畝一律勸令改種棉花爲因勢利導之計分別調查中外植棉成法編輯成書於上年冬間恭繕進呈印行各省實力勸導並奏定獎勵棉業章程十四條各在案近因種烟之地多已改植棉花各省產額日益增加由此逐漸擴充出口土貨可期進步惟內地販商往往希圖小利攙雜水泥以致洋商挑剔實與行銷有礙本年春間臣部查出確有此弊通行各省出示嚴禁有案上海爲通商巨埠每年出口棉花爲數至鉅現由在滬販運棉花商人及各紗廠等設立禁止攙合棉花會自係爲力防弊端起見然非有講求棉業公正紳商及海關爲之輔助恐不能周密無間擬飭由滬關切實查驗並由上海商務總會遴選通曉棉業人員幫同經理果能辦有成效當由臣部奏明給獎以資鼓勵並一面由臣部擬定檢查辦法明定罰章行知地方官出示曉諭俾可廓清積弊推廣銷場如蒙

俞允仰懇

明降諭旨通飭各省遵照辦理實於棉業前途大有裨益所有禁止棉花攙雜緣由謹恭摺具陳伏乞皇上聖鑒訓示謹

奏宣統三年閏六月十六日奉

上諭欽此

CIRCULAR No. 1844 (SECOND SERIES).

Inspector General, Sir Robert Hart: death of, on 20th September 1911, announcing; issue of Imperial Edict expressing Throne's sorrow, eulogising services, and conferring posthumous title on.

INSPECTORATE GENERAL OF CUSTOMS,
PEKING, *26th September 1911.*

SIR,

It is with profound regret that I have officially to communicate to the Service, and record, the death of the Inspector General, Sir Robert Hart.* His health had been failing for some months, and on 16th September, while staying at Marlow, in Buckinghamshire, he caught a chill, from the effects of which he died at 10 P.M. on the 20th September.

The sad intelligence was officially received in Peking late in the evening of the 21st September, and their Excellencies the Ministers of the Shui-wu Ch'u at once directed that all Customs flags throughout China should be half-masted on the 22nd September and on the day of the funeral, which took place at Marlow on 25th September. On the 22nd September the Acting Inspector General sent a telegram, through the Non-Resident Secretary, expressing in the name of the Service the deepest sympathy with Lady Hart and the family of the late Inspector General, and he further instructed Mr. H. E. Hobson, the senior Commissioner on leave in England, to represent the Service officially at the funeral. Mr. Hobson was also requested to represent the Postmaster General and the Imperial Chinese Postal Service.

On the 23rd September an Imperial Edict was issued expressing the sorrow of the Throne for the death of the Inspector General, recounting and eulogising his great services to China, and conferring upon him the posthumous title of Grand Guardian of the Heir Apparent (太子太保).†

A copy of Shui-wu Ch'u despatch No. 2176, forwarding the text of the Imperial Edict, is enclosed.

* An outline biography will be found in volume vii of this series.

† The rare distinction of Grand Guardian of the Heir Apparent of China was never conferred on any foreigner save Sir Robert Hart, and was rarely bestowed upon Chinese. The list of Chinese and foreign Orders received by him from China and other nations, in recognition of his work for China and the world, is unusually comprehensive and includes 13 Grand Crosses. The English inscription on the Shanghai Memorial was composed by Professor Eliot of Harvard University. (*Vide* I.G. Cir. No. 3901, vol. IV.)

On 25th September, the day on which the Inspector General's funeral took place in England, a memorial service was held in the Church of Our Saviour, Peking, by the Right Reverend C. P. Scott, D.D., Bishop of the Church of England in North China, assisted by his clergy. The service, which was most impressive, was attended by the Customs and Postal staffs, Chinese officials, representatives of the foreign Powers, and large numbers of the general public.

The Bishop, in a few well-chosen and feeling words, spoke of the character and great life work of Sir Robert Hart. A copy of his address will be printed and distributed to the Service. It will appeal alike to those who mourn their great Chief as a personal friend and those to whom he was no more than a highly revered and honoured name.

I am, etc.,

F. A. AGLEN,

Acting Inspector General.

ENCLOSURE.

稅務處劄行署總稅務司

爲劄行事准外務部片稱宣統三年七月二十九日准駐英劉大臣電稱總稅務司赫德昨晚在鄉間逝世等語片行查照等因當經本處於本月初二日具奏欽奉

上諭總稅務司赫德於咸豐年間來華由粵海關副稅務司洊升總稅務司迭受

先朝恩遇歷經

賞加按察使銜布政使銜花翎頭品頂戴並雙龍二等第一寶星三代正一品封典太子少保銜前因病請

假回國復

賞加尙書銜該總稅務司供職中國所有通商各口設關徵稅事宜均由其經手創辦以及辦理船廳設同文館赴各國賽會設立郵政經始規畫悉臻妥協遇有交涉時備諮詢在中國宣力五十餘年深資贊助茲據稅務處呈遞出使英國大臣劉玉麟來電遽聞溘逝軫惜殊深加恩著賞加太子太保銜伊子赫承先著賞換雙龍二等第三寶星以示優異欽此相應恭錄

諭旨劄行署總稅務司欽遵查照轉飭遵照可也須至劄者

宣統三年捌月初肆日

處字第貳千壹百柒拾陸號

CIRCULAR No. 1851 (SECOND SERIES).

Inspector General: Mr. Aglen appointed.

INSPECTORATE GENERAL OF CUSTOMS,

PEKING, 25th October 1911.

SIR,

1.—I have to notify to yourself and the members of the Service at your port my appointment from this date as Inspector General of Customs, on the recommendation of Their Excellencies the Ministers of the Shui-wu Ch'u, duly sanctioned by the Throne.

A copy of the Board's despatch communicating the text of the Memorial and Imperial Rescript is enclosed.

2.—The confirmation of the Officiating and Acting appointments I have held since 15th April 1910 gives me a fitting opportunity, of which I gladly avail myself, of acknowledging officially, with feelings of the most grateful appreciation, the loyal support and valuable assistance I have received from all members—Chinese and foreign—of the Service, and more especially from the Commissioners of Customs, many of whom have seen so much more service than myself. I trust that under my administration the Service may continue to perform useful work for the Chinese Government and maintain the high reputation it owes to the Chief whose death we have so recently mourned.

I am, etc.,

F. A. AGLEN,

Inspector General.

ENCLOSURE.

稅務處劄行總稅務司

爲劄行事本處於宣統三年九月初四日具奏請以安格聯升補總稅務司一摺本日奉

旨依議欽此相應恭錄

諭旨鈔錄原奏劄行總稅務司欽遵可也須至劄者附鈔件 宣統叁年玖月初肆日

處字第貳千貳百柒拾陸號

奏爲請

旨事竊臣處前以總稅務司赫德患病未痊懇請續假當於本年五月二十日

奏請以副總稅務司安格聯署理欽奉

諭旨允准在案查赫德旋於七月間出缺業蒙

聖恩優卹所遺總稅務司一缺綜理權務任重事繁安格聯自權篆以來辦理諸臻妥洽臣等公同商酌擬

請卽以該員升補總稅務司以資熟手如蒙

俞允臣等卽轉飭遵照至副總稅務司名目前於光緒二十三年間經赫德以總理文案稅務司裴式楷辦

事多年因舉該員補充以資襄理是副總稅務司本爲舊章所無此次安格聯遞遺之缺自可無庸揀

補合併聲明所有遴員請補總稅務司緣由謹恭摺具陳伏乞

聖鑒

隨處字第貳千貳百柒拾陸號

CIRCULAR No. 1858 (SECOND SERIES).

Revenue and Tonnage Dues Accounts with Hongkong and Shanghai Bank, etc.: preliminary instructions *re* opening of, by Commissioners and remittance of collection to. Commissioners Quarterly Revenue Returns: instructions *re* rendering of.

INSPECTORATE GENERAL OF CUSTOMS,
PEKING, 20th November 1911.

SIR,

1.—Recent events have made it desirable to open at certain ports where foreign banks are established Revenue and Tonnage Dues Accounts in my name, and certain preliminary instructions are necessary in this connexion. The accounts to be opened are three, and are to be styled as follows:—

Inspector General of Customs Foreign Customs Revenue Account.

Inspector General of Customs Native Customs Revenue Account.

Inspector General of Customs Tonnage Dues Account.

2.—The banks are being instructed to close these accounts quarterly, and I have accordingly to instruct Commissioners of Customs when paying in revenue and tonnage dues, either direct or through the medium of a local Chinese bank, to notify the foreign bank manager, and have it clearly understood to which quarter the amounts belong.

3.—At ports where no foreign banks are established, and where local governments have assumed the direction of affairs, Commissioners have been instructed to secure the revenue and remit it to my revenue accounts with the Hongkong and Shanghai Bank at Shanghai or Canton.* When making these remittances, Commissioners will be careful to notify the bank concerned to which quarter the revenue remitted belongs. Ports where no foreign banks are established will remit to the Hongkong and Shanghai Bank as follows: the Hunan ports—Changsha and Yochow—and the

* For detailed account of concurrent and subsequent developments of this arrangement, *vide* "China's Customs Revenue since the Revolution of 1911," *passim* (3rd Edition), Shanghai, 1935.

river ports above Hankow—Chungking, Ichang, and Shasi—will remit to Hankow; the lower river ports—Kiukiang, Wuhu, Nanking, Chinkiang,—together with Soochow, Hangchow, Ningpo, and Wenchow, will remit to Shanghai; the port of Santuao will remit to Foochow; all other southern ports will remit to Canton, unless other arrangements are found to be desirable and are sanctioned.

4.—The Quarterly Revenue Return is to be rendered as usual, but Commissioners at ports where the revenue is controlled by the Inspector General will submit with it a statement showing how the collection has been disposed of. Expenses of remittance are to be shown on the statement as loss by exchange.

5.—These instructions may require modifying or amplifying when the outlook is clearer; in the meanwhile Commissioners are to be guided by them as closely as possible.

I am, etc.,

F. A. AGLLEN,

Inspector General.

SEMI-OFFICIAL CIRCULAR No. 1.

Revenue coming under I.G.'s control: collection to be telegraphed.

INSPECTORATE GENERAL OF CUSTOMS,
PEKING, 19th November 1911.

SIR,

I have to instruct Commissioners of Customs to report to me by telegram on 30th November their total revenue collection for November, giving separate figures for Foreign Customs, Native Customs, revenue, and tonnage dues.

As it is necessary for me to know promptly the amount of revenue approximately in my control, Commissioners at ports which have thrown off their allegiance to Peking will report in addition to the above totals the amount of revenue deposited in my name in revenue accounts opened with foreign banks. Certain ports having already seceded in October, any portion of October collection deposited in foreign banks is to be separately given. At ports where no foreign banks are established, Commissioners will report amount of revenue belonging to either October or November collection remitted by them to my revenue accounts with the Hongkong and Shanghai Bank at Shanghai or Canton or remaining in their hands at the port concerned.

As, however, it is important for me to have under control as much revenue as possible to meet loan obligations, Commissioners at ports where no foreign banks are established will if possible remit their total revenue balances before the end of November.

The usual Superintendent's allowance may be deducted from revenue before it is paid into or remitted to my revenue accounts, but the telegram is to state when this has been done and the amount so deducted. Commissioners will enter the allowance in their Account *A* under the usual heading, with a note stating that it has been deducted from revenue collection of the month concerned, and its receipt is to be reported to me by special despatch.

The appended form of telegram is to be used.

I am, etc.,

F. A. AGLEN,
Inspector General.

ENCLOSURE.

FORM OF TELEGRAM TO BE USED FOR REPORTING
REVENUE COLLECTION FOR NOVEMBER 1911.

Total November Foreign Tls. — Native Tls. — Tonnage
Tls. —. In — Bank Total Foreign Tls. — Native Tls. —
Tonnage Tls. — of which Foreign Tls. — Native Tls. —
Tonnage Tls. — belongs October. Remitted Shanghai Foreign
Canton Tls. — Native Tls. — Tonnage Tls. — of which Foreign
Tls. — Native Tls. — Tonnage Tls. — belongs October.
Remaining Port in Commissioner hands Foreign Tls. — Native
Tls. — Tonnage Tls. —. Allowance deducted Tls. —
October
November.

CIRCULAR No. 1864 (SECOND SERIES).

Confidential Reports: fuller information to be supplied in, on special
forms; I.G.'s remarks and instructions concerning; Reports to be
forwarded annually in December. "Foreign Staff Return
and Housing Arrangements Report": modifications
in, and instructions as to rendering.

INSPECTORATE GENERAL OF CUSTOMS,
PEKING, 8th December 1911.

SIR,

Owing to the varying Service requirements that have gradually
arisen from the growth of some of the older ports and from the
opening of new ports and stations in the frontier districts of China,
I now find it necessary to call for fuller information in Confidential
Reports, and have accordingly to instruct you to prepare future
Reports according to new forms, which will be issued by the
Statistical Secretary, and specimens of which will be found as
Enclosures to this Circular (Enclosures Nos. 1 to 8).*

* Not printed.

By reference to the Enclosures it will be seen that for the Revenue Department there will be a separate form to be filled up for each employé reported on, and that Reports will take the form of queries and replies. The rendering of separate Confidential Reports will necessarily prove more bulky, but a standard form of Report for each individual has the obvious advantage of securing a much greater degree of fairness to employés relatively to each other, especially in our Service, in which such varying conditions obtain. With regard to the queries, some of them relate to facts, others to characteristics, and though perhaps a little more clerical labour may be involved in compiling these Reports, yet, generally speaking, with definite questions to answer, their preparation should become easier. In this connexion I would request you, when entering the word or two of reply to the personal queries, to bear in mind the interests of the Service as well as the effect your words may have on the career of the individual. It is to be remembered that these documents will be treated as highly confidential, and I have to instruct you not to take office copies for the Commissioner's archives. It will be left to the Commissioner's discretion to allow such of the replies as he thinks advisable to be filled in by the Deputy Commissioner or senior Assistant in the case of the In-door Staff, and by the Out-door Deputy Commissioner, Tidesurveyor, or Appraiser in the case of the Out-door Staff.

You will further note that Confidential Reports will, in future, only be required once a year—to be *posted* on the 31st December,—but they will be required for each employé, in the ranks hitherto reported on, whose name appears on your November Pay List. These Reports are to be sent unfolded and need not be docketed.

The ruling of Circular No. 5 of 1874, that Confidential Reports are not to be sent in by anyone who has not been actually in charge of the office for six months, is hereby cancelled. Commissioners will therefore be obliged, when having been in charge for shorter periods than six months, to rely to a considerable extent on information obtained from responsible subordinates. Reports so forwarded will be read in the light of the circumstances, confirming information if required by me being obtainable from their predecessors.

For the information of the different staffs, a copy of the form of Report affecting each staff is to be entered in their respective Order Books, and is to be carefully read by all concerned, with the object that everyone may understand what standard of conduct and work is demanded of him.

With regard to employés in the Marine Department, and in the Coast staff, Revenue Department, the preparation of Confidential Reports on them is necessarily more difficult, owing to the nature of their duties. Their technical merits or demerits can only be reported on to me by the Engineer-in-Chief, or Coast Inspector; but I shall be glad if Commissioners will forward to the Engineer-in-Chief, or Coast Inspector, Reports on the general conduct of any of those employés who may happen to be engaged on work in their district during any appreciable period in the course of the year. The Confidential Reports which have hitherto been made by Commissioners on the Coast staff and Lights staff in their districts are to be forwarded to the Coast Inspector on the 30th November, and all Confidential Reports of the Harbour, Lights, and Coast staffs are to be forwarded together by him to the address of the Chief Secretary under cover of one despatch for each staff respectively—the subsidiary Reports of Commissioners being forwarded as sub-enclosures, with such additional remarks as the Coast Inspector may from his own knowledge wish to add. The Engineer-in-Chief will, similarly, prepare and forward, under cover of one despatch, Confidential Reports on all employés in the Engineers staff, subsidiary Reports received by him from Commissioners during the course of the year being forwarded as sub-enclosures, with such additional remarks as he may wish to add. New forms have not been prepared for the Coast staff or the Marine Department. These Reports will therefore continue to be rendered on the [F.—21] form, but they are only required once a year, and they are to be posted on the 31st December or as soon after as the duties of the Engineer-in-Chief and Coast Inspector allow.

Although the June Confidential Reports are no longer required, it will still be necessary for the Inspectorate to be furnished at the close of the first half-year with certain information, especially such as may affect Service movements in the autumn. The forms "Foreign Staff Return and Housing Arrangements," [F.—39], and "Chinese Assistants and Clerks Return," [F.—40] or [F.—41], will therefore be rendered and posted to the address of the Chief Secretary on the 30th June of each year, following the instructions of Circular No. 1721, dealing with the forwarding of Confidential Reports.

From Enclosure No. 7 it will be seen that in the Foreign Staff Return some of the headings of the present [B.—22], Staff Requirements and Housing Arrangements form, have been included. This [B.—22] form is now to be discontinued; and, in future, when Commissioners are of opinion that their staff should be increased,

they are to apply by despatch, stating fully the reasons for their application and also what housing arrangements can be made if the application is granted. It is also to be mentioned in the despatch either that married quarters are not available or procurable, or that they are, in which case the suitability and extent of their accommodation, as well as the rent asked, are to be stated. In the Remarks column of the June Return a brief note should be entered as to the suitability (taking into consideration the rank, family, etc., of the employé concerned) and the number of rooms in the quarters, whether occupied by married employés or by one or more single men, and whether Service-owned or rented officially or with official rent allowance. With regard to possible decreases of staff, these also are to be reported by despatch, whether they are recommended permanently or for temporary periods, *e.g.*, during the winter months, as might be the case at certain northern ports.

In conclusion, I have to add, for your information and guidance, that though in exceptional circumstances it may be necessary in the interests of the Service for the Inspector General to discharge an employé for the sole reason that his services are no longer required, I am most unwilling to take such a step on the strength of a Confidential Report. It is but seldom that bad Reports are received, but a difficulty of treatment does present itself when Reports contain hints of dishonourable misconduct, or of conduct off duty harmful to the prestige of the Service, or of general incompetency. With regard to dishonourable misconduct, I am aware that in most cases an opinion can only be formed on circumstantial evidence, and that it is exceedingly difficult for a Commissioner to obtain sufficient proof on which to base an official report of the case by despatch. When suspicions take a more or less marked aspect, it is of course important for me to be informed early, and they had better, in the first place, form the subject of semi-official or private correspondence between the Commissioner concerned and myself, so that some definite measures can be taken if possible, either to clear an employé from suspicions or to protect the Service. With regard to other kinds of misconduct, such as habitual intemperance off duty, I take this opportunity of saying that I am as averse as the late Inspector General was from interfering with the private life of an employé when off duty. Of such cases, again, I am unwilling to take official notice on the strength of a Confidential Report, so long as the employé's work is not affected. When conduct of this kind, however, is carried to the point of bringing discredit, intangible though it may be, on the reputation of the Staff, it becomes important for me to know, and it is the duty

of the Commissioner to mention it in his Confidential Report. When no influence is of avail, the solution finally recommended by most Commissioners is transfer to another port. This, no doubt, solves the difficulty locally, but it does not solve it from a Service point of view. I am, however, willing to take this solution into consideration if the previous Inspectorate record of the employé is good. Should the recommendation be made, I leave it to the Commissioner's discretion to inform the employé or not, according to his view of the case. If informed, the fact should be noted in the Report. Owing to the endless variety of circumstances connected with such cases, I do not wish to lay down any ruling on this point, and will only say that by letting an employé know the Commissioner's view of such misconduct off duty, the subsequent treatment of the case by me is considerably facilitated. With regard to reports of general incompetency under the heading of "Work," when Reports are so adverse that they may eventually lead to stoppage of promotion or possibly to discharge, I have to request Commissioners personally to acquaint the employés concerned with their opinion, and, if desired, to discuss their weak points with them and give advice. In every case the fact of communication of a Commissioner's opinion to an employé as to the value of his work should be noted in the Report. The general communication of Confidential Reports to employés is, in my opinion, not feasible. They are required for purposes of appointments and transfers as well as of promotion. Undue expectations might be raised, Commissioners might be hampered, and the interests of the Service would not be benefited. Everyone knows when he is doing his duty, and I am glad to place on record that the great majority of Reports are good.

I am, etc.,

F. A. AGLEN,

Inspector General.

CIRCULAR No. 1865 (SECOND SERIES).

Customs revenue: I.G.'s Revenue and Tonnage Dues Accounts: collection at all ports, seceded or non-seceded, to be paid into, and to be under I.G.'s control. Accounting and remitting of collection: new forms, etc. for; I.G.'s instructions *re*.

INSPECTORATE GENERAL OF CUSTOMS,
PEKING, 11th December 1911.

SIR,

1.—In continuation of Circulars Nos. 1858 and 1860:

Concerning Inspector General's Revenue and Tonnage Dues Accounts:

I enclose, for your information and guidance, copy of Shui-wu Ch'u despatch No. 2373, from which you will see that, with a view to facilitating the due observance by China of her loan obligations, the Government has decided to place the Customs revenues at all ports, which still owe allegiance to the Imperial Government, in the control of the Inspector General. Telegraphic instructions have accordingly been issued to the Commissioners of the ports concerned, where revenue is not already deposited in foreign banks, to assume control of the revenue collection and to open the necessary accounts in the Inspector General's name in such foreign banks as are available. In this connexion the instructions of Circulars Nos. 1858* and 1860, referred to above, are to be followed as closely as possible.

2.—The departure from previous practice in revenue matters authorised by the Government makes it now possible to proceed on more or less uniform lines throughout China, and it is desirable to issue, without further delay, the more detailed instructions regarding the accounting and remittance of revenue moneys promised in Circular No. 1860.

3.—I have accordingly to instruct you as follows:—All ports will arrange their office routine in such a manner as to obtain a daily total of revenue collected under the three revenue-account headings: Foreign Customs, Native Customs, and Tonnage. (Care should be taken not to confuse these headings with the foreign and native *flag* distinctions in the Monthly and Quarterly Revenue Returns.) At most ports some system of daily check already exists, such as a comparing of notes between head Shupan and banker, etc. In any case, a rigorous check is now to be instituted on whatever lines are

* *Antea*, vol. iii, p. 41.

most easily adapted to local practice. Commissioners will use their own judgement in the matter of incorporating the collection at more or less distant sub-stations, obtaining the Native Customs daily statements, etc.—the main point being that whatever is collected will invariably appear in the daily account on, or as near as possible to, the actual dates of collection.

The daily collection accounts being thus compiled, checked, and recorded in a manner best suited to local practice, the figures required for report to the Inspectorate are the daily totals under "Foreign," "Native," and "Tonnage" in *Haikwan taels*, i.e., the same amounts as expressed on Duty Memos. and Duty Receipts, which will eventually find their way into the Revenue Return *via* Duty Sheets, Steamer Accounts, etc. These daily figures are to appear in the first three columns on page 2 of the new Service form, [B.—6], "Report on Collection and Remittance," specimen of which accompanies this Circular. On the third page of this form will be found a statement for comparison between the daily collection and the Revenue Returns, the latter being compiled, both in their monthly and quarterly form, in exactly the same manner as heretofore. The monthly totals according to these two accounts will generally not agree, the main causes of difference being the outstanding steamer accounts before clearance and after clearance before all the import cargo has been applied for. These differences are to be shown in their due place, and it will be the Commissioner's duty to watch them carefully, keep them as low as possible, and to investigate into, and, if necessary, report on, any abnormal feature presented by them.

As regards the *disposal* of the collection, each office will by this time probably have its own system in working order. Whatever that may be, it will be necessary that every remittance to the Inspector General's Revenue Account be recorded in its Haikwan tael equivalent in the fourth, fifth, and sixth columns of the new form, opposite the date on which the remittance leaves the Commissioner's hands. Each port will be guided by local exigencies in choosing its periods of remitting. Preferably they should not be more than one week apart, and, without good reason, no remittance should be made so late as to cause a likelihood of its not being in the bank's hands before the last day of the quarter in which it is sent off. On the third page of the form will be found a section for comparison between collection and disposal, which to a great extent explains itself. Here, again, it is to be borne in mind that all amounts are expressed in Haikwan taels, everything pertaining to local currencies being recorded locally, with the necessary amount of clearness and

accuracy. These local records may be called for at any moment; meanwhile certain data of information are to be supplied monthly, as shown on page 1 of the new form.

The Report on Collection and Remittance is to be dated and despatched to Peking not later than five days after the close of each month. Like the Report on Collection and Expenditure (which, needless to say, it in no way supersedes), it is numbered and treated as a despatch in itself. The new Report is to be brought up to date retrospectively from the commencement of Customs handling of revenue moneys at the port concerned.

A new form, [B.—7], "Revenue Remittance Note," is also introduced for use in a manner similar to that governing the usual remittances of Customs balances. At ports where the revenue remittance takes place at intervals of a week or more, a Remittance Note is to be drawn up each time. Where remittances are made daily or at intervals shorter than a week, the Commissioner is to arrange with the banker to sign and transmit Remittance Notes containing weekly totals.

4.—The instructions of this Circular supersede, as an amplification thereof, the instructions contained in paragraph 4 of Circular 1858, and are to be read by the Commissioners of Customs at Harbin, Kiaochow, Dairen, Kowloon, and Lappa in the light of the special circumstances obtaining at those ports, where revenue has hitherto been handled in a manner somewhat different from that in force at the treaty ports.

The Commissioners at these ports will continue, pending further instructions, to bank and report their revenue collection as heretofore; but no remittances from Revenue Account, hitherto made on standing authority by the Harbin, Kiaochow, and Dairen Commissioners, with the exception of authorised Customs allowances, are in future to be made without special authority from myself.

I am, etc.,

F. A. AGLEN,
Inspector General.

ENCLOSURE.

稅務處劄行總稅務司

爲劄行事准外務部咨稱前准領銜英朱使請將全國稅項由總稅務司統轄以待撥付洋債賠款等因當經本部片行度支部核復去後茲准片復稱全國各關稅項由總稅務司統轄以待撥付賠款洋債之用係屬暫時權宜之計應行照辦等因咨行查照轉飭遵照前來本處查各海關稅項暫由總稅務司統轄以備撥付洋債賠款既經度支部核准自可照辦除通行外相應劄行總稅務司遵照辦理可也須至劄者 宣統

叁年拾月拾陸日

處字第貳千叁百柒拾叁號

CIRCULAR No. 1871 (SECOND SERIES).

Opium, Indian: 1911 Agreement: further reduction of import during years 1912, 1913, 1914; figures notified.

INSPECTORATE GENERAL OF CUSTOMS,
PEKING, 6th January 1912.

SIR,

With reference to Circular No. 1790:*

Opium, Indian: Agreement of 1911 between China and Great Britain:

and more particularly to the following provision of the Annex of this Agreement:

“In addition to the annual reduction of 5,100 chests already agreed upon, His Majesty's Government agree further to reduce the import of Indian opium during each of the years 1912, 1913, and 1914 by an amount equal to one-third of the total ascertained amount of the uncertificated Indian opium in bond in Chinese treaty ports and in stock in Hongkong on the date of signature, *plus* one-third of the amount of uncertificated Indian opium landed during the ensuing two months at Shanghai and Canton”:

I have now to circulate copy of a despatch from the Shui-wu Ch'u, from which you will see that the figures of Indian opium coming under these three headings having been ascertained to be 9,687, 1,334, and 438 chests respectively, or 11,459 chests in all, the import of Indian opium into China will be reduced by further 3,820 chests in the years 1912 and 1913, and by further 3,819 chests in 1914. The amounts of certificated Indian opium that may be imported into China until the importation ceases entirely in 1917 will accordingly be—

Year 1912	. . . . .	Chests	21,680, instead of 25,500
„ 1913	. . . . .	„	16,580, „ 20,400
„ 1914	. . . . .	„	11,481, „ 15,300
„ 1915	. . . . .	„	10,200
„ 1916	. . . . .	„	5,100

I am, etc.,

F. A. AGLEN,
Inspector General.

* *Antea*, vol. iii. p. 4.

ENCLOSURE.

稅務處劄行總稅務司

爲劄行事宣統三年十一月初八日准外務部咨稱案查禁烟條件之附件內載英政府允於一千九百十二年至十四年每年再爲減少印藥之總數一節茲本部已據總稅務司查明簽押日存放各關棧暨香港之無印花印藥及簽押後兩個月內起岸之無印花印藥各數目照會英使轉達英政府飭照辦理應鈔錄照會咨行查照轉飭總稅務司暨派赴印度查視員遵照等因前來除鈔錄原文一分劄行奏派駐印查視印藥事宜員遵照外相應鈔錄原文劄行總稅務司遵照辦理可也須至劄者

附鈔件 宣統三年拾壹月拾伍日

處字第貳千肆百拾玖號

照錄外務部致英朱使照會宣統三年玖月貳拾伍日

爲照會事案查本年四月初十日卽西歷五月八號中英簽字之禁烟條件其附件內開除業經商定每年

減運五千一百箱外英國政府現允於一千九百十二年一千九百十三年一千九百十四年每年再爲減少其所減之數按照條件簽押日所查明存放關棧之無印花印藥暨香港存積之無印花印藥及條件簽押後兩個月內起岸之無印花印藥之總數合三分之一等語茲據總稅務司報告先後查明條件簽押日存放各關棧之無印花印藥計九千六百八十七箱香港存積確係擬銷中國市面之無印花印藥計一千三百三十四箱簽押後兩個月內起岸之無印花印藥除四月初十日在香港登記之無印花印藥不計外四百三十八箱以上三起總共一萬一千四百五十九箱應按照條件之附件所載從一千九百十二年起三年內每年再減少運入中國之印藥合前項總數三分之一應於前二年減少三千八百二十箱後一年減少三千八百一十九箱相應照會

貴大臣查照轉達

貴國政府飭照辦理可也須至照會者

SEMI-OFFICIAL CIRCULAR No. 3.

Concerning Superintendent's allowance and yamên expenses; certain queries to be replied to by ports.

INSPECTORATE GENERAL OF CUSTOMS,
PEKING, 11th January 1912.

SIR,

Questions are beginning to come up from the ports concerning the issue from Foreign and Native Customs revenue collection of allowances previously drawn by Superintendents of Customs and Customs Weiyüan for the expenses in their yamên incurred in connexion with their Customs functions. Having now control of revenue moneys and being responsible to China's creditors for their safe custody and proper application, I have felt myself obliged to take up the position that the only deductions from revenue that I can authorise on my own responsibility are the Customs cost of collection charge, expenses incurred by Commissioners in connexion with certain services administered by them and the Customs Staff, and reasonable bank commission to cover the cost of handling and remitting revenue moneys. Any other deductions must, I feel, be a matter for the consideration of the foreign representatives of the creditors for whose security the Customs revenues of China have been pledged. Superintendents and Weiyüan, with their territorial connexions, are in a position to exercise an important influence on Customs administration, and, although the control of the revenue has temporarily passed out of their hands, it would in my opinion be only just that they should continue to draw from revenue the allowances hitherto allotted to them. But here the difficulty comes in of knowing what allowances to make. In the past such allowances may possibly have been used to cover expenditure in no way connected with the Customs and which under present circumstances would not be a legitimate charge on revenue. In order that I may be in a position to deal with this question and make suggestions, I shall be obliged if you will quietly ascertain and report to me semi-officially—

1. Whether previous to the Revolution the Superintendent at your port, or, in the absence of a Superintendent, the Weiyüan, drew from revenue a fixed allowance.
2. By what high authority was the allowance fixed.
3. Amount of allowance and when payable.
4. What expenditure the allowance was intended to meet.

5. Whether the allowance was used to defray expenditure not connected with the purely Customs part of the Superintendent's functions.

Should any demands have been made on you for Superintendent's allowance, you are requested to give particulars stating what precedent or authority has been quoted in support of them, and whether in your opinion the demand is reasonable or not. Semi-official letters in reply to this Circular should not contain any remarks on other topics.

I am, etc.,

F. A. AGLEN,
Inspector General.

CIRCULAR No. 1881 (SECOND SERIES).

Republic of China proclaimed: provisional Republican flag notified; lunar year to be provisionally designated by 干支; Gregorian calendar adopted; term "Imperial" and keeping as Customs holiday of Imperial birthday to be discontinued.

INSPECTORATE GENERAL OF CUSTOMS,
PEKING, 21st February 1912.

SIR,

1.—The Republic of China having been proclaimed on the 12th February 1912 (Hsüan T'ung, 3rd year, 12th moon, 25th day), the Shui-wu Ch'u directs that the Maritime Custom Houses are forthwith to cease flying the "dragon" flag, and are to fly instead a flag with five horizontal stripes of equal breadth, coloured red, yellow, blue, white, black respectively in the order given, the red stripe being on the top.* In regard to the shape and proportions of the provisional Republican flag (a drawing of which is appended), you are to follow the directions of Circular No. 459, Second Series.

2.—The Board has also directed that, commencing with the 26th day of the 12th moon of the past lunar year (13th February 1912), the lunar calendar years are to be designated by the 干支,—

* For historical account of Customs jack, *vide postea*, I.G. Cir. No. 4183, vol. iv.

the combination of the 12 horary characters and the 10 celestial branches. Thus the past lunar year is to be designated 辛亥, and the current year, 壬子.

In a further despatch the Board communicates a Manifesto of the President of the Republic, to the effect that, from the 1st day of the current lunar year, the Republic has adopted the Gregorian solar calendar, and that this day—the 18th February 1912—is to be the 18th day of the 2nd month of the 1st year of the Chinese Republic. But it lays down at the same time that in all official documents the lunar calendar date is to be added after the solar date in the manner indicated below, so as to facilitate transition:—

大
中
華
民
國
元
年
二
月
十
八
日
正
即
月
壬
初
一
子
日
年

You are, finally, to note that, in future, the use of the term “Imperial” is to be discontinued in all Customs documents, and that the 13th day of the 1st moon, the day appointed for the celebration of the Imperial birthday (Circular No. 1585), is no longer to be observed as a Customs holiday.

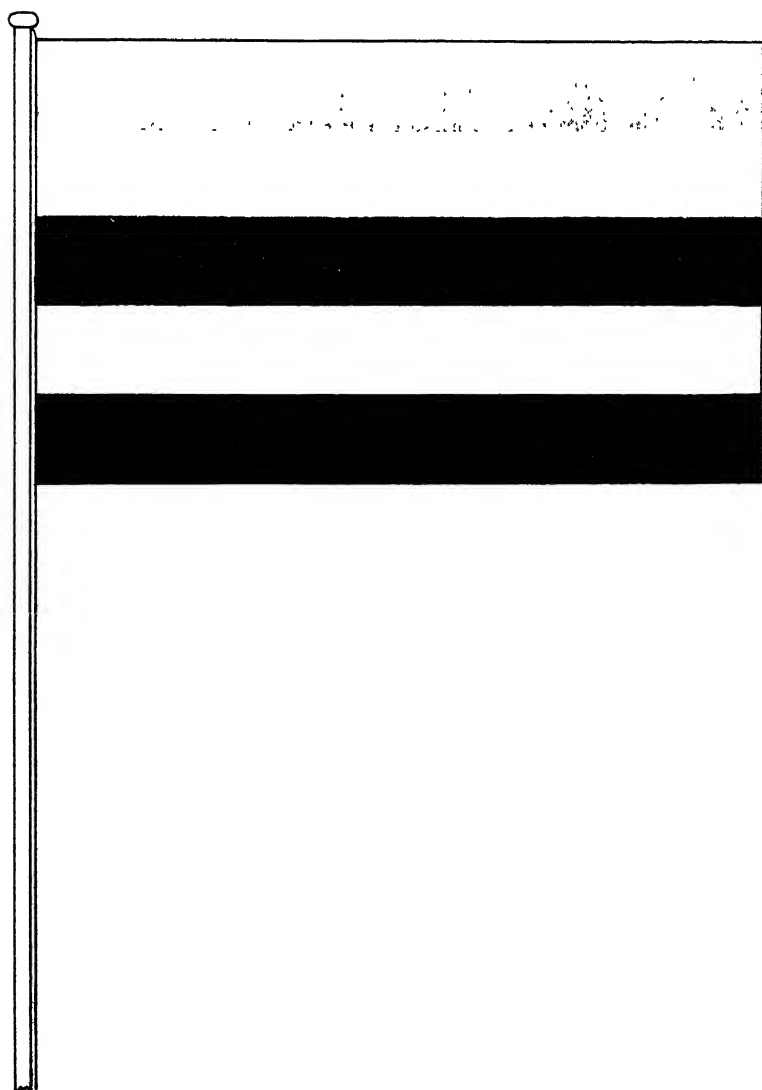
Copies of the Board's despatches Nos. 2492/3 and No. 2508 referred to are enclosed.

I am, etc.,

F. A. AGLEN,
Inspector General.

ENCLOSURE No. 1.

PROVISIONAL NATIONAL FLAG OF THE
REPUBLIC OF CHINA.



ENCLOSURE No. 2.

督辦稅務處劄行總稅務司

爲劄行事現在共和國體業經宣布所有各關龍旗應卽改懸紅黃藍白黑五色橫道式橫長方之旗相應
劄行總稅務司迅卽通電各關稅務司遵照辦理可也須至劄者 辛亥年拾貳月貳拾捌日

處字第貳千肆百玖拾貳號

旗式

五色橫幅紅黃藍白黑五色由上而下

督辦稅務處劄行總稅務司

爲劄行事本月二十六日接奉

臨時政府交出所有各部之正副大臣應暫改稱爲正副首領等因所有嗣後總稅務司申呈本處文件應
卽改爲申呈督辦稅務處至紀年一節自本年十二月二十六日起暫以干支紀年相應劄行總稅務司電
飭各關遵照可也須至劄者 辛亥年拾貳月貳拾捌日

處字第貳千肆百玖拾叁號

ENCLOSURE No. 3.

督辦稅務處劄行總稅務司

爲劄行事查臨時公報內載新舉臨時大總統袁 十二月三十日布告現在共和政體業已成立自應改

用陽歷以示大同應自陰歷壬子年正月初一日起所有內外文武行用公文一律改用陽歷署大中華民國

國元年二月十八日卽壬子年正月初一日字樣等因相應劄行總稅務司查照通電各關稅務司一體遵

照可也須至劄者 大中華民國元年貳月貳拾壹日（卽壬子年正月初肆日）

SEMI-OFFICIAL CIRCULAR No. 4.

Review of position: Commissioners' position *vis-à-vis de facto* and *de jure* local government: discretion enjoined.

INSPECTORATE GENERAL OF CUSTOMS,
PEKING, 14th March 1912.

SIR,

The proclaiming of the Republic of China, notified in Circular No. 1881, and the taking of the oath by His Excellency Yüan Shih-k'ai as Provisional President at Peking on 10th March having brought to a close the first stage in the political upheaval which began on 11th October last, it is now desirable to take stock, as it were, of the Customs position and to say a few words for the general guidance of Commissioners.

The crisis we have passed through has been a trying one for all in responsible positions. At no two ports were the conditions quite the same, but throughout the revolutionary area the rapid march of events made it necessary for those in charge to act promptly and to take decisions on their own responsibility with often very little guidance from head-quarters. At some ports more, and at others less, recognition of the *de facto* local rulers was expedient; but everywhere tact and discretion, combined with patience and common sense, were required to secure the main objects in view—the control of the revenue collection and the unimpaired and smooth working of the revenue machine. The important part which the Service has played in maintaining national credit at a time of complete financial disorganisation and the services rendered by Commissioners of Customs in the general interest have, I am glad to see, been publicly recognised. I desire now, while on the subject of the past, to express my own appreciation of the ready manner in which all have risen to the occasion and have met and overcome unusual difficulties, in some places under circumstances of danger and discomfort.

The period of reconstruction now in sight will present difficulties of another kind, no less calling for patience, forbearance, and tact. The Central Government will probably not at once acquire that control over the provincial administrations which formerly existed, and during the transition period great caution will be necessary if embarrassment to the Government in its relations, on the one hand, with the provincial authorities and, on the other hand, with the foreign Powers is to be avoided. The

position of isolation and aloofness from provincial control in which many Commissioners found themselves left during the progress of the Revolution can no longer be maintained now that the country has nominally become united. Former *de facto* rulers have been changed by the course of events into *de jure* provincial authorities, whom the Maritime Customs can neither disregard nor hold at arm's length. Appointments to the equivalent of Customs Superintendencies are likely to be made on the authority of Provincial Governors of persons whom Commissioners may neither consider acceptable as colleagues nor eligible for the posts they occupy. Although such appointments may be considered to be of a transitory and provisional nature until confirmed or changed by the Central Government, they must nevertheless be regarded as regular, and Commissioners must be prepared to communicate, and have relations, with the persons so appointed. While no change is to be made in the method now obtaining at different ports of handling and remitting revenue, without special instructions from myself, the fullest information on revenue matters and local Customs administration is at all times to be afforded when asked for by Superintendents and Customs Weiyüan. Later on, when the position is cleared, some further instructions may be necessary concerning the relations between Commissioners of Customs and local authorities, but, generally speaking, every effort is to be made to promote a mutually good understanding and to maintain cordial relations. Interdependence in the past has been attended by many advantages to the Customs, and, seeing that independence in the future is neither desirable nor possible, anything in the nature of antagonism will only cause embarrassment and have effects reaching far beyond the limits of the port concerned.

I am, etc.,

F. A. AGLEN,
Inspector General.

CIRCULAR No. 1887 (SECOND SERIES).

Works Department: establishment of, and departmental reclassification of Service, notified; mutual status and relations of Departments defined, and instructions *re* accounts system to be followed by Marine and Works Departments.

INSPECTORATE GENERAL OF CUSTOMS,

PEKING, 25th March 1912.

SIR,

1.—The growing importance of matters concerning Customs buildings and property has made it highly desirable that a new Service organisation—to be known as the Works Department*—should be called into existence, in order that everything pertaining to property and plant, both in the Revenue and Marine Departments, may be dealt with in a systematic manner under one responsible technical authority.

2.—Incidentally, the creation of this new branch entails a reclassification of the Service in Departments and Staffs and some further definition of their mutual status and relationship. To effect this is the object of this Circular, while a following Circular will treat of the new Department by itself in more detail.

3.—Commencing from 1st June 1912—the date of the next “Service List,”—the Service will consist of the following Departments and Staffs:—

I.—REVENUE DEPARTMENT.

1°. In-door Staff, Foreign.

„ „ Native.

2°. Out-door Staff, Foreign.

„ „ Native.

3°. Coast Staff, Foreign.

„ „ Native.

* The architectural branch of this Department was in January 1930 incorporated as part of the Inspectorate (Property Office), *vide postea*, I.G. Cir. No. 4021, vol. iv.

II.—MARINE DEPARTMENT.

- | | | |
|--|---|---|
| 1°. Coast Inspectorate Staff, Foreign | { | Coast Inspector, Deputy
Coast Inspector, River
Inspectors, Clerks, Sur-
veyors, Tracers, etc. |
| „ „ „ Native. | | |
| 2°. Harbours Staff, Foreign | { | Harbour Masters, Berthing Officers,
Divers, Signalmen, River Police, etc. |
| „ „ Native. | | |
| 3°. Lights Staff, Foreign: Lightkeepers, Lightship Officers and Crews. | | |
| „ „ Native. | | |
| 4°. Marine Staff, Foreign | { | Crews of Revenue Steamers and other
sea-going craft employed exclusively
on Lighthouse-tender and survey
work. |
| „ „ Native. | | |

III.—WORKS DEPARTMENT.

- | | | |
|---|---|--|
| 1°. Engineering Staff, Foreign | { | Engineer-in-Chief, Assistant En-
gineer, Engineering and Architec-
tural Assistants. |
| „ „ Native. | | |
| 2°. Office Staff, Foreign: Clerks, Draughtsmen, etc. | | |
| „ „ Native. | | |
| 3°. Out-door Staff, Foreign: Mechanics, Clerks of Works, etc. | | |
| „ „ Native. | | |

4.—While the Revenue Department remains entirely unaltered under its present constitution on a financial basis of a purely revenue character, the Marine Department will now represent that main portion of the former Marine Department which should properly be financed entirely from tonnage dues moneys. It is placed under the Coast Inspector as its departmental head and chief technical authority. The sub-division into four staffs and the classes of employes comprised in each are sufficiently explained in the foregoing summary. While revenue steamers detailed entirely for lights-tender or survey work are brought under the Marine Department, steamers and launches employed on preventive service remain under "Coast" in the Revenue Department as before. The construction and repairs of such vessels, however, will be under the technical supervision of the Coast Inspector.

5.—The new Works Department is organised on a mixed financial basis, and will have relations with both Revenue and Marine Departments. It takes the place among Service Departments hitherto occupied by the Educational Department, which now disappears. Its departmental head and technical authority is the Engineer-in-Chief, who will have similar technical responsibility towards both of the other Departments—viz., in all matters pertaining to property, buildings, and fittings towards the Revenue, and in all matters concerning property, buildings, lighthouse plant, and apparatus towards the Marine, Department. As regards floating property, however, all vessels other than light-vessels in which the lights apparatus forms an integral part of the vessel are to be built and repaired under the directions of the Coast Inspector. The Works Department will thus be divided into two sections: (a) Revenue, and (b) Marine, to both of which the Engineer-in-Chief will apportion the necessary staff, permanently or temporarily. His relationship *vis-à-vis* the Inspector General and Commissioners in section (a) and *vis-à-vis* the Inspector General and the Coast Inspector in (b) will remain practically the same as heretofore. Similarly, no change need be made in the relationship and intercourse between the two technical Departments, nor in matters in which it may be necessary for their respective heads to address the Inspector General jointly.

6.—The position of port Commissioners is to remain unaltered as regards their general responsibility towards the Inspector General for all Revenue and Marine property and functions within their respective districts. Except in so far as certain modifications are introduced through the new departmental organisation and working, the general principles hitherto ruling continue to hold good. Thus, for instance, all official correspondence between the technical Departments and the Inspector General concerning a port is to go through that port's Commissioner. Similarly, all correspondence between a Commissioner and the Inspector General concerning one of the technical Departments will be sent through the chief of that Department. A Commissioner will thus be in constant touch with the Engineer-in-Chief as technical authority in all matters concerning Revenue property and Lights property, plant, and apparatus, etc., and with the Coast Inspector in everything concerning Lights and Harbour matters and surveying craft in their entire functioning, and revenue vessels only as far as building and repairing are concerned.

7.—The most important changes entailed by the new system are those concerning the finances. Detailed accounts instructions

will be conveyed in an Audit Note and special despatches to the Departments concerned; meanwhile the following may serve as an approximate outline. Both the Marine and Works Departments are henceforth (commencing on 1st July 1912) to keep and render their accounts like a port establishment, the former keeping two accounts, *C* and *D*, and the latter three, *A*, *C*, and *D*,—all according to the existing accounts rules and routine. Departmental funds are to be applied for quarterly direct from the Inspector General in the shape of supplementary grants. The expenditure thus met out of the Department's accounts is to be only what will be styled the "departmental" expenditure, *i.e.*, corresponding mostly with what is at present paid through the Shanghai office accounts. Expenses which have hitherto been charged to ports accounts—*e.g.*, building and repairs, district expenditure of Lights, etc.—are to be met locally in the same manner as before.

8.—In conclusion, it may be well to point out that the reorganisation which forms the subject of this Circular is not to be looked upon as tending in any way towards a divorce of Marine affairs from the Customs establishment generally, a divorce which would, moreover, be radically impracticable in view of the fact that at all but the largest ports the Harbour work and a fair share of Lights work is done by Revenue Staff employes. Furthermore, while under the new organisation both the Marine and Works Departments chiefs and staff will in a certain way acquire more direct supervision over the ports technical affairs, it neither follows that local initiative on the part of the non-technical staff—to which much useful work in the past has been due—is to be discouraged, nor that local responsibility in the absence of direct technical supervision is to be considered as having in any way ceased.

I am, etc.,

F. A. AGLEN,
Inspector General.

CIRCULAR No. 1888 (SECOND SERIES).

Works Department: constitution of, relationship to port Commissioners, organisation and duties of, defined.

INSPECTORATE GENERAL OF CUSTOMS,
PEKING, 25th March 1912.

SIR,

1.—In continuation of Circular No. 1887:

Reorganisation of Service in Departments consequent upon the establishment of a Works Department:

I now circulate, for your information and guidance, the main lines upon which the new Works Department is to be constituted, with more special reference to its relationship to port Commissioners.

2.—The Works Department, under the Engineer-in-Chief as departmental head, is to have technical charge of Customs property, buildings, etc., at all ports, and of all lights, property, plant, etc., in the Marine Department, except floating property in which the lights apparatus does not form an integral part of the vessel.

3.—One of the first duties of the Department is to be the compilation of complete plans and technical records of Customs land and buildings at all ports, whether by original survey or verification of existing plans, illustrated as much as possible by photographs of elevations, etc. At the same time a gradual inspection of all buildings is to be started, with a view to determining their condition, mode of construction, material, and to collecting any other data which may be useful to the Works Department. Every building is to be inspected in this manner once in three years, and systematic records are to be kept of each inspection.

4.—All port Commissioners are to send in to the Works Department annually, before 31st August, a complete statement of repairs necessary to existing buildings, works in contemplation, etc., with a close estimate of their cost. This estimate is to include all works authorised by the Inspector General. Copies of these annual statements are to be simultaneously forwarded to the Inspector General, without covering despatch.

5.—Before 31st December each year the Works Department will submit to the Inspector General a digest of these port statements, accompanied by an *exposé* of its own programme, as based thereon, for the coming year's work, with an estimate of cost. This programme is to represent as nearly as possible *a complete budget of the*

entire expenditure contemplated for building and maintenance during the ensuing year. While each port Commissioner should endeavour to make his year's statement as complete and accurate as possible, he may, if the necessity should arise, still undertake such minor repairs as are imperatively necessary on his own initiative, with or without the Inspector General's special sanction according to the rules at present governing such repairs. In this case, however, mention should be made of these repairs in the next statement to the Works Department.

6.—The Engineer-in-Chief may visit, or depute one of his officers to visit, any port: (a) on Inspector General's instructions; (b) at the initiative of the port Commissioner on being thereto requested by despatch, copy of which is to be simultaneously sent to the Inspector General; (c) on his own initiative, notifying the Commissioner concerned one month before the expected arrival, copy of such notice also to be sent to the Inspector General.

7.—Between the receipt of the notice and the date of the intended inspection, the Commissioner will prepare a list of all repairs or other work considered necessary, and will, if possible, obtain estimates of cost from local tradesmen. The inspecting official will then go over the property, with the Tidesurveyor or other officer deputed by the Commissioner, and make such amendments, additions, or deductions as he considers technically advisable. The joint finding will then be referred to the Engineer-in-Chief (unless the matter be small enough to be settled locally), and returned to the port for execution. A Clerk of Works is to be deputed to supervise, either regularly or by occasional visits, all building work and repairs of any importance. Should the matter be of a nature to require the Inspector General's authority under the existing accounts rules, the estimate—made out on the usual "Demand" form—will be sent to Peking for approval, after having been visé'd by the Engineer-in-Chief or his duly authorised deputy.

8.—In the matter of finance, the general rule to be applied is that the port obtains the services of the Works Department's permanent staff absolutely free of charge. The latter will therefore defray, as its departmental expenses, all salaries, rent allowances (at Shanghai or elsewhere), travelling expenses, personal and messing allowances of its staff, and, furthermore, all office furnishing (at Shanghai or elsewhere), instruments, stationery, drawing materials, etc. If convenient, some of these charges may be advanced locally by the port office concerned. On the other hand, the actual cost of the work in labour, material, freight, the salaries of staff engaged

exclusively for the work in hand, etc., are all to be met by the port concerned as "local" expenditure. More detailed instructions on the accounts procedure involved will be conveyed in an Audit Note.

9.—Requisitions to Europe for material or plant for special works or for stock items, both in the Revenue and Marine Departments, all of which are paid out of the Works Department's funds, may in future be forwarded by the Engineer-in-Chief direct to the Inspector General, without the signature of the port Commissioner concerned, who should, however, be supplied with a copy of the requisition if it affects his district. In case the expenditure is to be met from local funds, the Commissioner's signature on the requisition will still be required.

I am, etc.,

F. A. AGLEN,
Inspector General.

CIRCULAR No. 1889 (SECOND SERIES).

Revenue: collection and control of, by Commissioners; duties assessed and paid into bank: system followed by ports for checking, report on, called for.

INSPECTORATE GENERAL OF CUSTOMS,
PEKING, 27th March 1912.

SIR,

1.—In continuation of Circulars Nos. 1858, 1860, 1865, and 1867:

Concerning the collection and handling of revenue moneys by Commissioners:

I wish to call your attention to the following points.

2.—Whereas, under arrangements existing previous to the revolution, the holding of the Duty Receipt or Duty Memo. stamped by the Haikwan Bank constituted a formal discharge of the Customs liability with respect to the duty concerned, our present functions lay upon us the obligation to go a step further, *i.e.*, not only to see that no cargo is released or written off without stamped Bank Receipt, but also to make sure that all Bank Receipts are represented by actual cash in the bank.

3.—Seeing that this is a matter of great importance so long as the Customs Service continues to exercise the above additional functions, I have to instruct you to make a careful and thorough inquiry into the system of control and checks existing at your office by which you can feel assured—

- (a.) That all Duty Memos. issued are actually presented to the bank and paid;
- (b.) That what is paid at the bank on a certain day can be duly identified with existing records at the Custom House, and thus enable independent records of each day's collection to be drawn up at both places and mutually compared;
- (c.) That a Bank Receipt or Stamped Duty Memo., after being used for procuring the release, etc., of cargo, cannot escape being entered in both the Daily Collection Account and the Duty Sheets upon which the Revenue Return figures are based.

4.—When you have satisfied yourself on these points, you are to forward here a short and clear report embodying the main features of the system followed at your office. As an example which may be useful as a guide, both in substance and form, a copy of an extract from a despatch in which the Newchwang Commissioner describes the system applied at that port is appended.

I am, etc.,

F. A. AGLEN,
Inspector General.

ENCLOSURE.

No. 4122.

I.G.

CUSTOM HOUSE,
NEWCHWANG, 14th March 1912.

SIR,

1.—

* * * * *

2.—The checking system was considered to be necessary in order to ensure absolute agreement between the amount of duty collected each day by the bank and the amount reported as having

been collected. Under ordinary conditions, there is no necessary relation between the Duty Memos. issued on any one day and the Duty Receipts brought back to the General Office on that day. The issue of the Duty Memo. is recorded by the Shupan, and the payment of duty is recorded on the Duty Sheet, and no final check can be applied until the ship's accounts are closed; consequently, there is no means inside the office of checking the correctness of the daily collection as reported by the bank. To get over this difficulty, the following system has been adopted.

3.—As soon as a Duty Memo. is handed in to the bank, it is numbered (in consecutive series), and the amount of duty payable is entered (according to category) in a register under the same number, by our Shupan. The document is then passed on to the bank shroff, who transcribes the necessary particulars (for subsequent identification with Application) on to the Bank Receipt, which is given the same number. Duty being paid, the Bank Receipt is handed back to the Shupan, who affixes the stamp *ho tui* (核對) on the entry in the register and on the Bank Receipt, together with his private mark, and returns the latter to the applicant for presentation to the General Office, the Duty Memo. being retained by the bank. (Should an applicant change his mind about payment of duty after handing in his Duty Memo., the fact would be made evident by the absence of the stamp on the corresponding entry in the register, and the amount in question would be automatically excluded from the day's collection.) In this way the actual collection of the day, irrespective of what Bank Receipts may have been returned to the General Office, is known and all possibility of fraud eliminated. There is no interference with the existing system of issuing Duty Memos. and recording duties on Duty Sheets; but the fact that the branch bank is established in rooms immediately adjoining—though outside of—the General Office waiting-room affords less excuse for delay in payment of duties than if this necessitated a journey to the bank itself.

4.— * * * * *

E. GORDON LOWDER,

Commissioner.

Note.—The bank referred to in above despatch is the local branch of the Russo-Asiatic Bank, which, at Newchwang, is entrusted with the duty collection.

CIRCULAR No. 1891 (SECOND SERIES).

Leave, long: rules of, for foreign employés; modifications in, notified.

INSPECTORATE GENERAL OF CUSTOMS,
PEKING, 1st April 1912.

SIR,

1.—With reference to previous Circulars upon the subject of:

Leave, long:

I have to inform you that, dating from 16th April 1912, a modification of the long leave rules for foreign employés—as set forth below—will come into force.

2.—It has for some time past been apparent that the existing Service rules for long leave do not agree with present-day necessities, and that in the interests of Service efficiency and of employés themselves some modification is needed. The revolution in means of communication with Europe effected by the opening of the Transsiberian Railway; the development of railways and the consequent improvement in communications within China itself; the fall in the value of silver; the increase in the foreign population of the larger treaty ports, the betterment thus brought about in housing and other conditions of living in China, with the ensuing tendency of foreigners to make their home in the East more permanent than before; the development of health resorts in different parts of China,—all these factors were non-existent when the present leave rules were drawn up, and the time has come when they must be taken into consideration and arrangements adapted to meet them.

3.—The two years leave rule for the In-door Staff has no doubt in its time been an enormous boon, and its many advantages—physical, mental, and moral—need not be dwelt upon here. But absence for two years on half-pay has had one undeniable drawback. Men have often been compelled—or if in some instances not compelled, have been induced—to spend their savings while on leave, with the result that in some cases each return from furlough leaves a man just where he was, financially speaking, when he started his Eastern career. Worse still, retiring allowances have too often gone the same way, and the object of their issue—the enabling of men who have served their time to retire—entirely nullified, with results to individuals and to the Service which are known to all. The expense of taking leave on half-pay has also been a serious deterrent to the Out-door Staff, comparatively few of whom have been able to avail themselves of their leave as it has fallen due.

4.—The object to be aimed at, then, is the establishment of a scale of leave offering some range of choice and accommodated to varying requirements, which will enable foreign employés to enjoy a fair term of holiday without being compelled to intrench upon savings, and which will put it within the power of men upon the decennial basis to take long leave from time to time.

5.—This object will, I hope, be attained by the changes in the rules laid down in this Circular. The principles upon which they are based are, for employés on the septennial basis, the substitution of one year's leave on full pay for the old two years on half-pay (though in order to retain the old privilege and to meet exceptional cases, extension up to either eighteen or twenty-four months on *no* pay will be permitted); and the substitution of six months on full for the old twelve months on half-pay, with power to extend up to one year on no pay, for the Out-door and other Staffs on the decennial basis. An important change is the reduction of the *first* term from seven to six years for men on the septennial, and from ten to nine for men on the decennial, basis—a change which, it is to be noted, involves the issue of retiring allowance not *before*, but *after*, the first long leave.

6.—The following schedule gives the conditions of leave under the rules as they will now be laid down:—

I. *For employés on the septennial basis for retiring allowance:*

First term, after six years service;

Second and subsequent terms, after five years service:

One year's leave on full pay, with option of extending up to either a full six months or a full twelve months more without pay.

Travelling allowances as in Circular No. 1511, Second Series.

II. *For employés on the decennial basis for retiring allowance:*

First term, after nine years service;

Second and subsequent terms, after seven years service:

Six months leave on full pay, with option of extending up to either a full three or six months more without pay.

Travelling allowances as in Circular No. 1511, Second Series.

7.—With regard to the above rules, it is to be noted:—

- 1°. All leaves, and also extensions of leave, can only be granted if Service requirements permit. If the modification now introduced elicits a large number of sudden applications for leave, such applications will be granted only so far as the proper staffing of the Service allows. When a decision has to be made between competing applicants for priority of departure on leave, cases will be decided on their merits, *i.e.*, health, length of time without leave, etc., will be taken into consideration. Postponed applicants will be informed at what probable date it will be possible to let them go.
- 2°. All leaves are to date only from *16th* April and *16th* October, instead of, as laid down in Circular No. 915, Second Series, from 1st April and 1st October.
- 3°. Applications for long leave should be in the Inspector General's hands three months at least before the date on which the leave is to begin, and, whenever possible, the full amount likely to be required is to be applied for at once, so as to reduce applications for extension to as few as possible.

Applications for extension, whether by telegram or letter, should be timed so as to reach the Inspector General (through the port issuing leave pay) at least ten weeks before the date of expiry of leave. Where special circumstances cause an application for extension to be made within ten weeks of the date of expiry of leave, the application is to be made by telegram and an explanation of the circumstances is to follow by letter.

The same rule is to apply to employés who have to produce medical certificates: they are either to produce a medical certificate to reach the Inspector General ten weeks before date of expiry of leave or are to apply for extension—when such is grantable.

When extensions or curtailments are applied for without sufficient notice as indicated above, and the Inspector General finds that proposed arrangements have suddenly to be altered owing to

unexpected demands for change in the length of leave, applicants must not be surprised if requests have to be refused.

N.B.—The instructions of Circular No. 568, Second Series, are rescinded, and applications for leave or for extension of leave, whether by telegram or letter, are never to be addressed to the Inspector General direct, but always through the Commissioner at the port to which the employé is at the time attached, *i.e.*, if on leave, through the port issuing leave pay.

- 4°. These changes in the rules are not retrospective and have no application to any leave expiring on or before 31st March 1912.

Employés who have any unexpired leave in hand on 1st April 1912 will be offered (by special despatch to each, sent through Commissioner issuing leave pay) the option of continuing the leave on half-pay as already granted, or of curtailing the unexpired portion to one-half on full pay.

Special cases, *e.g.*, men retiring at the end of their leave, will be allowed to work out their leave on the terms already granted.

Men who have already been granted leave from 1st April 1912 should inform the Inspector General as quickly as possible what leave they want under the new rules.

8.—The Unattached Lists for men on leave will remain as hitherto at Shanghai and Canton. It should be remarked that men returning from leave can have their orders as to their destination sent to other than their leave-pay ports, *e.g.*, to Harbin, Dairen, etc., upon timely notice being given to the Inspectorate as to by what route they are returning to China and at what place it would be convenient for them to receive their instructions.

9.—It is to be noted that the existing rules and instructions in regard to leave remain in force, except in so far as they are amended, contradicted, or modified by the changes notified in this Circular.

I am, etc.,

F. A. AGLEN,
Inspector General.

CIRCULAR No. 1942 (SECOND SERIES).

**Superintendents of Customs: appointment of, by Central Government;
post-revolutionary provisional arrangements superseded; powers
and functions of Superintendents under present conditions
and status *vis-à-vis* Commissioners defined;
I.G.'s instructions *in re*.**

INSPECTORATE GENERAL OF CUSTOMS,
PEKING, 11th October 1912.

SIR,

1.—I enclose, for your information and guidance, copy of Shui-wu Ch'u despatch No. 3067, from which you will see that the Central Government is about to supersede the provisional arrangements, made by the provincial authorities during and since the revolution, for carrying on Customs work, by the appointment of Superintendents of Customs to the various ports, and that in this connexion the Board has deemed it advisable to draw up four articles defining the powers and functions of Superintendents, in relation to Commissioners of Customs, under present conditions. You will note that—

- 1°. While for the time being the Inspector General will retain control of the revenue collected at the ports for payment of loans and indemnity, in accordance with the Ch'u's instructions dated 16th December 1911, and while the Customs In-door Staff remains as heretofore solely under the Commissioner's orders, the Shupan, to be styled in future Lushih (錄事), will, in accordance with previous practice, be appointed by the Superintendent.
- 2°. While Native Customs stations situated outside the 50-*li* radius will be solely administered by the Superintendents, who will remit the revenue collected at them direct to the Central Government, Native Customs stations within the 50-*li* radius will be administered by the Commissioners of Customs, who will for the present remit the revenue collected at them for payment of the indemnity; in matters of Native Customs office staff and practice, Commissioners will, as before, act in conjunction with the Superintendents.

3°. All Maritime and Native Customs documents which were formerly issued in the name and under the seal of the Superintendents will, as before, be issued by the Superintendents.

4°. A daily and separate report of the Maritime and Native Customs Revenue Collection is to be made to the Superintendent.

2.—It will be seen that, with the exception of the control of revenue, the respective functions of the Superintendents and Commissioners will be the same as before. At the ports where effective administration of all Native Customs stations within the 50-*li* radius has not previously been attained, Commissioners will, as soon as possible after the assumption of office of the Superintendent appointed by the Central Government, raise the question, and, with his assistance, take the necessary steps to secure it.

3.—In giving effect to the instructions of this Circular, Commissioners and those in charge of ports will do well to re-read carefully Circular No. 24 of 1873,* in which the fundamental principles that should guide them in their relations with Superintendents of Customs have been laid down once for all.

I am, etc.,

F. A. AGLEN,

Inspector General.

* *Antea*, vol. i, pp. 311-324.

ENCLOSURE.

稅務處劄行總稅務司

查自上年民軍起義以來各省關務暫由都督派員兼管現在各關監督將次由中央任命自應將監督與稅司辦事權限體察近時情形暫訂各條以資遵守除咨國務院外相應鈔錄條件劄行總稅務司通飭各關稅務司遵照辦理可也此劄附鈔件 中華民國元年十月五日

處字第叁千陸拾柒號

各關監督與稅務司辦事權限

第一條 各海關稅項照陰歷上年十二月十六日本處劄文暫由總稅務司統轄備撥洋債賠款之用至各關用人除幫辦供事文案仍應由稅務司委派外其書辦一項仍應由監督選派惟書辦名目現不適宜應即改為錄事

第二條 除距新關五十里外之常關歸監督專管所收稅款由監督逕解中央外其距新關五十里內之常關應照案歸稅務司兼管所收稅項暫與新關一律備撥洋債賠款其一切用人辦事仍照舊會同監督辦理

第三條 所有新常兩關向由監督經發之單照仍由監督照舊給發

第四條 新常兩關徵收稅項按日分報監督查核

隨處字第叁千陸拾柒號

CIRCULAR No. 1964 (SECOND SERIES).

**Service administration: certain non-official correspondence bearing on,
between Inspector General and certain members of the Service:
copy of, published without Inspector General's consent
or approval, now placed on record.**

INSPECTORATE GENERAL OF CUSTOMS,
PEKING, 16th November 1912.

SIR,

My attention has been called to a printed circular in which certain non-official correspondence between some members of the Service and myself, having a direct bearing on Service administration, has been published, without my consent or approval. I do not write this Circular with the object of discussing or dealing with the question which thus arises, but in order to place on official record and before the whole Service the correspondence referred to, which will be found appended hereto.

I am, etc.,

F. A. AGLEN,
Inspector General.

ENCLOSURE.

COPY OF CORRESPONDENCE BETWEEN THE INSPECTOR
GENERAL AND THE COMMITTEE OF THE
CUSTOMS ASSOCIATION.

*From the Committee of the Customs Association to
the Inspector General.*

SHANGHAI, 24th April 1912.

DEAR MR. AGLEN,

At a recent meeting of the Committee of the Customs Association it was resolved to address you on the subject of Customs employées who have been, or may be, compulsorily retired by your orders on the plea that they were too old for further service. We are of course aware that, in each case of compulsory retirement, the

individual affected has received to the full all that existing Service rules allow to be given to men who retire voluntarily. Our present purpose, however, is to point out that whereas there may be no hardship involved in paying off a man who wishes to retire, the procedure assumes a very different aspect when applied to those who cannot afford to be thus summarily deprived of their means of livelihood. It has always, therefore, appeared to us that the present somewhat inadequate superannuation arrangement, *i.e.*, the retiring allowance system, was only justifiable because no age limit for retirement was insisted upon in connexion with it; and we submit that now, at the eleventh hour, to impose compulsory retirement, without its natural corollary of a pension, will lead to dire hardship and distress and is likely to bring discredit on the Service and the Government. It is also fraught with peculiar danger in a Service such as ours, for is it not evident that if our younger members—especially young Out-door officers—see their seniors turned out to starve in old age, they will not be slow to draw the moral and conclude that, as honest and deserving men are thus treated, it would perhaps be folly not to provide for their own old age by helping themselves in ways too obvious to need description here? We therefore beg most respectfully to urge upon you the importance of this question of supplementing the present insufficient superannuation allowance in such a way as to obviate the possibility of the recurrence of such a case as we have now before us, wherein a Tidesurveyor, a man of blameless conduct and character, who had been compulsorily retired by your orders, was found by us to be living in Shanghai in a state of practical destitution. He was, moreover, in feeble health, physical and mental—a condition which no doubt largely explains the fact that he seems quite unable to account for the disappearance within the last 18 months of the whole of the gratuity money paid to him when “retired” from the Service in August 1910. In this case we have done what we could and have made temporary arrangements to prevent the man from coming before his Consular authority as an applicant for public charity, and we have expended some \$240 in maintaining him in a respectable home during the past few months; but once having placed his circumstances fully before you (as has been done by the Shanghai Commissioner), we do not think that it devolves upon us to maintain indefinitely this ex-Customs employé, who has the claim on the Inspector General of 38 years of faithful and loyal service and whose only fault is that he has grown old and feeble. Rather do we think and contend that it is a duty and responsibility that should rest upon the Inspector General alone to see to it that old and deserving employés of the Chinese Government, whose

agent he is, do not have to end their days either in degrading poverty or as recipients of charity. We therefore beg to submit that, without taking any action which might be held to commit you to the adoption of pensions generally in the Service, it should be possible for you, in the exercise of the wide powers conferred on you, to authorise something in the nature of subsistence pay to all employes whom you compulsorily retire on the plea that they are too old for further work. We may point out that many employers pension off their old and deserving servants without in any way pledging themselves or their successors to adopt such practice as a system, and, in further support of our argument, we submit that the procedure now advocated will cost very little, because so few in the nature of things—mortal things, be it remembered—can ever hope to benefit by it; but we think that if, and when, deserving Customs employes reach threescore and ten years and are retired by the Inspector General, he should, in the interests of the Service, secure that the short remaining span of life left to these men may be passed under conditions of reasonable repose and comfort.

In conclusion, we desire respectfully to state that in making this communication, which we believe to be the first that has been addressed to the Inspector General by the Customs Association on any Service matter, we are acting in response to the almost universal sentiment of the members of the Service, so far as we have been able to ascertain it.

We remain,

Yours faithfully,

H. F. MERRILL, *President.*

W. A. CARLSON.

P. GREVEDON.

P. H. KING.

C. P. C. LYNBORG.

R. H. R. WADE.

C. P. DAWSON, *Hon. Secretary.*

COMMITTEE OF THE CUSTOMS
ASSOCIATION.

Forwarded by

C. P. DAWSON,

Hon. Secretary.

From the Inspector General to Mr. C. P. Dawson, Honorary Secretary, Committee of the Customs Association.

INSPECTORATE GENERAL OF CUSTOMS,
PEKING, 20th May 1912.

S/O.

DEAR SIR,

I am directed by the Inspector General to acknowledge receipt, on the 1st May, of a letter dated 24th April 1912, from the Committee of the Customs Association, concerning provision from official funds for employes compulsorily retired on account of age.

Yours truly,

J. W. RICHARDSON,
Private Secretary.

C. P. DAWSON, ESQUIRE,
*Honorary Secretary,
Committee of the Customs Association.*

From the Inspector General to Mr. H. F. Merrill, President of the Committee of the Customs Association.

INSPECTORATE GENERAL OF CUSTOMS,
PEKING, 20th May 1912.

DEAR MR. MERRILL,

A letter from the Committee of the Customs Association on the subject of compulsory retirement, with special reference to a particular case which has been taken up and dealt with by the Association, has reached me, and to you, as President of the Committee, I think it best to address a reply.

The Committee put the case for the compulsorily retired old employe strongly, in language which will appeal to the sympathy of all, and in favouring me with their views on this question I feel sure that they are moved by a desire to assist me in solving a difficult Service problem. There is, however, no evidence in the

letter before me to show that they realise there is another side to the question, or that they appreciate, or even understand, the difficulties and limitations of the Inspector General in dealing with it.

The Committee point to a distinction between the cases of those who are compulsorily retired for age and those who retire voluntarily; submit that the imposing of compulsory retirement without its natural corollary of a pension will bring discredit to the Service and the Government—the retiring allowance system being, in their opinion, only justifiable because no age limit for retirement was insisted upon in connexion with it; and they hold out a warning that compulsory retirement will be attended by a lowering of the moral standard throughout the Service and more especially in the junior ranks of the Out-door staff. Citing a particular case which has come under their notice, they lay down the contention that on the Inspector General alone rests the duty and responsibility of seeing that old and deserving employes of the Chinese Government do not have to end their days in poverty or in the receipt of charity, and they represent that it is possible for the Inspector General, without committing himself to a system of pensions, to authorise subsistence pay to all who are compulsorily retired (*i.e.*, to pension them).

It is quite true that there is a distinction between those who are compulsorily retired for age and those who retire voluntarily, and this distinction has always been recognised by the Inspector General—first, in giving continued employment in the case of old and deserving employes at high rates of pay for many years after they have ceased to render a full return for it and at an age not usual in other walks of life, and, secondly, in giving on retirement such treatment as Service funds permit in addition to that which Service rules prescribe. Under existing conditions, an employe of 60 years of age in the higher ranks of the Service has, if he lives and is not otherwise incapacitated, every prospect of enjoying at least 10 years of service on full pay. It might be expected—and the Inspector General has every right to expect—that even the most thoughtless and improvident would, at that age, begin to lay by a certain proportion of pay each month sufficient in 10 years to purchase an annuity which would at any rate remove all danger of want.

As to the argument that the imposing of compulsory retirement without a pension will bring discredit on the Government and Service, it must be remembered that it has over and over again been laid down by the Inspector General, with emphasis and warning,

that the Service does not provide pensions. All who join and accept employment do so on the Service's and not their own terms. An appeal to the practice of other Governments, which hold out pensions in the terms of employment and allow for them in arranging the scale of pay, is not, in the circumstances, relevant, and to the credit of the Customs Service it may be said that it will challenge comparison with any employment in the world in the consideration it extends to old employés.

It is true that in connexion with the issue of retiring allowances no age limit has been imposed, but, on the other hand, it is the fact that the natural limit of failing powers due to extreme old age, as a bar to continued employment, has long been foreseen and placed in unmistakable language before the Service. Nearly 20 years ago the late Inspector General warned the Service that "its interests make it imperatively necessary that the employment of men unfitted by age or infirmity must cease," and 12 years ago he repeated that warning with added emphasis, in the words, "It is highly probable that sooner or later it may be necessary to discharge . . . according to age, and this possibility ought therefore to be remembered and allowed for by all who can put by even the smallest savings."

These warnings have, it is to be feared, in some instances fallen on deaf ears and been wholly disregarded; but this hardly gives those who have been improvident when in the Service, or unfortunate after leaving it, any claim for pension against a Government which has from the first clearly laid down that it does not issue pensions.

With regard to the effect of compulsory retirement on the morality of the Service, I have too high an opinion of the general standard to believe for a moment in such a prediction. On the contrary, I believe that a large proportion of employés who hope to remain in Service until 70 years of age and upward do now provide for their retirement by saving a portion of their pay in addition to their retiring allowances, and that those who have never realised that they will grow old, nor made any provision for old age, will be far more likely to do so by legitimate means of thrift and self-denial.

I fear I cannot accept the Committee's contention that on the Inspector General alone rests the duty and responsibility of seeing that old and deserving employés do not have to end their days in poverty or in the receipt of charity, or that the Inspector General

can continue pay for life to employés after retirement without committing himself to a system of pensions. The duty and responsibility of providing for old age rests on the employés themselves, and the Inspector General could not issue pay after retirement to those who have been improvident or unfortunate without laying himself open to a claim for similar treatment from all. Cases of destitution, given ordinary prudence and foresight, should be impossible, and, when they do occur, they are proper objects of charitable treatment. It is to the members of the Service first that such cases would appeal, and I have no doubt that any such appeal would meet with a ready and generous response. Something, of course, could be done officially to anticipate such unfortunate cases as the one the Committee has alluded to. Timely representations from the employé himself or his superiors, that he was not competent to be entrusted with money on retirement, could be met by withholding retiring allowance and such other funds as the Inspector General is in a position to issue, and either placing them in the hands of a trust for his benefit or purchasing for him an annuity. Any general inquisition, however, into the private affairs of employés is not desirable, and cases of this kind would have to be considered very exceptional and treated accordingly. No one is more anxious than myself to find a solution to meet such distressing cases, or would more gladly welcome suggestions and advice; but I cannot help feeling that the Committee are proceeding in the wrong direction in seeking to place the entire responsibility on the Inspector General. I believe that the Service itself can and should deal with such cases, and, in this connexion, it seems to me a pity that the benevolent work of the Association cannot be thrown open to the whole Service. A Customs Benevolent Association not necessarily confined to the foreign staff would, I think, have greater scope for activity and good work, and command more sympathy and support, than a department of an Association to which all members of the Service do not belong, and to which, under the circumstances, the head of the Service can neither officially nor privately contribute.

I am,

Yours sincerely,

F. A. AGLLEN.

H. F. MERRILL, ESQUIRE,

*President of the Committee of the
Customs Association.*

*From Mr. H. F. Merrill, President of the Committee of the
Customs Association, to the Inspector General.*

SHANGHAI, 26th June 1912.

DEAR MR. AGLEN,

I duly received your letter of the 20th May, in reply to the appeal of the Committee of the Customs Association of the 24th April, and have placed it before the other members of the Committee, who ask me to thank you for the full attention you have given to our communication. The Committee frankly admit that you have done all that existing regulations require; but they feel none the less the pressure of the hard fact that septuagenarians, after long years of faithful service in the Customs, are turned adrift without any adequate provision being made for their few remaining years of life, and that one at least of these, found destitute in Shanghai, feeble in body and in mind, has been succoured by the Customs Association and is now living on the charity of his former comrades—most of whom subscribe to the funds of the Association, not out of their abundance, but out of slender means.

The Committee regret that the Inspector General cannot see his way to letting cold reasoning yield to a well-grounded sentiment of humanity in this matter, so far as to allow of the adoption of the very limited amount of superannuation provision suggested in their letter of the 24th April.

I remain,

Dear Mr. Aglen,

Yours faithfully,

H. F. MERRILL,

President, Customs Association Committee.

F. A. AGLEN, ESQUIRE,
Inspector General of Customs,
PEKING.

SEMI-OFFICIAL CIRCULAR No. 6.

Customs Association *vis-à-vis* Inspector General.

INSPECTORATE GENERAL OF CUSTOMS.

PEKING, 10th February 1913.

SIR,

In continuation of my Circular No. 1964, I feel that the time has come when it is advisable that my views concerning the Customs Association and what I regard as my position in relation to it should be placed before the members for their consideration, and seeing that the Association only opens its doors to foreign members of the Service, I issue this Circular in the Semi-Official rather than the Official Series.

Let me say at the outset that I fully recognise that the Association was founded by men whose one object was the welfare of the Service, and that, in promoting it and laying down its constitution, they were actuated solely by a wholehearted devotion to Service interests. It is true that certain members of the Service, myself among the number, did question at the time both the necessity for the step and the wisdom of the policy it inaugurated, but no one had any doubt about the motives which actuated the promoters, and the fact that the project met with a very general response throughout the Service sufficiently endorsed their action.

It is necessary to refer briefly to the circumstances under which the Association was formed, and it may be of interest to those who have since joined the Service and become members of the Association if I do so. It was in 1900 that the project first took shape. The Boxer outbreak was then at the height of its mad career, the Service was temporarily deprived of the guidance and protection of its chief, and the outlook was dark and threatening. Certain rumours, to which, I believe, undue importance was attached, were current to the effect that designs on the control of the Service by interested outsiders were on foot, and it was felt that the Service should be placed in a position to give authoritative expression to its views and wishes on such a question. The preliminaries, owing to the wide area affected, necessarily took time to arrange, and before any definite result was achieved, the danger, if danger existed, had passed and the Inspector General had resumed control of the Service. This was the moment when, I think, it would have been wise for the Provisional Committee to reconsider the whole question and to have taken the Inspector General into its confidence and consultation. So far, however,

as I am aware the Inspector General was not consulted, and the Committee proceeded to lay down the constitution of the Association. As placed before the foreign members of the Service the main objects in view were—

1. The preservation of the existing rights and privileges of the members of the Service;

2. The improvement of existing conditions where possible;

and it was stated that the Association would take action by all legitimate methods whenever the common interests, rights, or privileges of the members of the Service appeared to be threatened or endangered from any quarter, and would promote by all the means at its disposal any reasonable project for their increased comfort and well-being. It was further laid down that the Association would take no action calculated to affect discipline or weaken the control of the head of the Service.

These aims, so far as they go and considered from a purely theoretical point of view, are, of course, quite laudable and are, I believe, such as are advanced by similar Associations in Services at home. But they do not appear to me to reveal sufficient appreciation of the conditions peculiar to this cosmopolitan Service of ours or of the dangers to which it is exposed.

As regards those dangers, whether from within or without, the Service's best and real protection is the work it does for the Chinese Government and the important international interests it serves. Let the one deteriorate or the other become no longer dependent on the Customs, and no Association that could be formed by members of the Service would avail to save it from disintegration. But so long as the Customs Service performs its work efficiently, and in so doing safeguards the interests of China and the Powers, it has little to fear from interference from any quarter.

In the matter of the improvement of existing conditions, Association action must necessarily be taken either independently of or with the Inspector General. My own experience is that independent action is more likely to be embarrassing and harmful than advantageous to the Service, while action with the Inspector General is not open to an Association of which the Inspector General is forced by circumstances to remain outside. That action against the Inspector General should be contemplated is, of course, unthinkable, in that it would presuppose a head of the Service neglectful of its rights and privileges and unmindful of its interests. It is, I think, evident that some perception of this aspect of the

question was in the minds of successive members of Committee from the fact that until recently the Association has confined its attention to benevolent work pure and simple and to fostering a spirit of *esprit de corps* throughout the Service—objects which have my hearty sympathy. It has not, save in one instance, touched official matters, and it has in consequence, save in that one instance, not come into contact officially with the Inspector General. So long as this attitude of non-intervention in Service matters was maintained the Inspector General was content to stand aside, but it was clearly foreseen by the late Inspector General, as it was by myself, that the moment the Association touched Service matters officially a situation would arise which would necessitate some definition of the relative positions of the Inspector General and the Association.

My own view, after mature consideration both as Commissioner and Inspector General, is that anything which tends to place the head of the Service and its members associated together in the position of taking opposite sides is destructive of discipline and harmful to the best interests of both. No one has a keener sense of *esprit de corps* than myself, nor is there any member of the Service who has the protection of its rights and privileges and the improvement of existing conditions closer to his heart. From my position here and the wider outlook it gives, I am perhaps able to judge better than the Committee of the Association what it is politic and feasible to attempt, and, if all that it is desirable to do cannot be done at once, the Service may rest assured that there are sufficiently weighty reasons for proceeding cautiously. But I feel very strongly that an Association within the Service which the Inspector General as a Service man cannot join, and with which he is unable to have official relations as Inspector General, contains within it the elements of danger and is liable to raise questions which can only end in embarrassment for all concerned. And it is for this reason that I should be glad to see the Customs Association modify its constitution on such lines that no member of the Service need feel compelled to remain outside.

I have to request you to see that every confirmed foreign member of your staff has an opportunity of reading this Circular.

I am, etc.,

F. A. AGLEN,

Inspector General.

CIRCULAR No. 2001 (SECOND SERIES).

Customs College, Peking: students graduated from; future employment of, proposals made by Inspector General for, agreed to by Shui-wu Ch'u. I.G.'s remarks and instructions concerning.

INSPECTORATE GENERAL OF CUSTOMS,
PEKING, 25th February 1913.

SIR,

1.—Circular No. 1501* notified you of the opening of a Customs College (稅務學堂) at Peking under the joint directorship of Mr. Chan Lün, a member of the Shui-wu Ch'u, and Mr. Brewitt-Taylor,† Commissioner of Customs, and now holding the office of Chief Secretary. As you are aware, entrance examinations were held in the summer of 1908 at Peking under the auspices of the directors, and at Hankow, Shanghai, Foochow, and Canton under the direction of the Commissioners of Customs, and a number of young men of promise were selected at these centres for enrollment in the new institution. In accordance with the programme laid down by the Ministers of the Shui-wu Ch'u, the first course of four years study should have been completed in the autumn of 1912, but owing to the revolution and the unsettled conditions in Peking the final examinations were postponed, and it was only on the 21st January last that the students who had successfully completed their four-year course were presented with the diploma rendering them

* *Antea*, vol. ii, p. 615.

† C. H. Brewitt-Taylor was born on the 11th December 1857 at Kingston, Sussex, England, and came out to China to be Professor of Navigation and of Mathematics at the Foochow Arsenal Naval College, where he served from the 1st October 1880 to 30th September 1891. He joined the Customs Service on the 1st November 1891 as 3rd Assistant, A, at Tientsin, where he remained for almost five years. In May 1898 he was appointed Acting Assistant Chinese Secretary at the Inspectorate in Peking, and was promoted Deputy Commissioner on the 1st June 1900 and Commissioner on the 1st January 1908. In April of the latter year he was detached for special duty as Co-Director of the newly created Customs College, and held that post for four years. He served as Chief Secretary for one year, April 1912 to April 1913, and was subsequently Commissioner at Moukden and at Chungking, from which latter port he resigned on the 31st October 1920. Brewitt-Taylor had a deservedly high reputation as a Chinese scholar. He translated the well-known text-book *T'an Lun Hsin P'ien* (談論新編) and edited and revised Hirth's Text-book of Documentary Chinese. His best known work is the masterly translation of the *San Kuo Chih* (三國志). Brewitt-Taylor held Button of the 3rd Class; Order of the Double Dragon, 3rd Division, 2nd Class; Order of the Chia Ho, 3rd Class, and British medal with clasp, "Defence of Legations," 1902. He was specially mentioned in H.B.M. Minister's despatches for distinguished conduct during the siege of the Legations in 1900.

eligible for appointments in the Government service. These diplomas were handed to the graduates by the Ministers of the Shui-wu Ch'u in person, in the presence of the assembled students, the directors and teaching staff of the College, and certain invited guests, among whom were a representative of the President, the Inspector General, and members of the Inspectorate staff.

2.—I now enclose, for your information, copies of some correspondence which has passed between the Shui-wu Ch'u and myself on the subject of the future employment of the students who have graduated. You will observe that the Board requested me to examine how many vacancies I had at my disposal in the rank of Chinese Assistant, and instructed me to report, for the information of the Ministers, whether those who had successfully passed their examination, but for whom no vacancy for Assistant was open, could be employed in any other capacity. In my reply I pointed out that the number of vacancies in the Assistants rank was necessarily limited; that appointments in this category of the Chinese In-door Staff had hitherto been made for the most part by selection from the list of Chinese Clerks; and that, while I was prepared in future to give the preference to candidates specially educated in the Customs College for Revenue work over those educated abroad, and to accept the College diploma in lieu of the usual entrance examination, I had decided not to close altogether to the most capable and deserving of the Clerks this avenue to advancement in the Service. In regard to the employment of those who have recently graduated, I suggested that, as it was impossible to place them all in the Assistants class and as there were certain objections to employing them as Clerks, it would be best to make no immediate appointments to the Service, but to give all—some 20 in number—a limited period of practical training in office work under the eye of experienced Commissioners, to supplement the theoretical course they had just completed in the College. The Board, as you will see from the final despatch of this correspondence, has found my proposal satisfactory and has authorised me to make the necessary arrangements to give effect to it.

3.—The students to be placed in my hands for the practical part of their education will, accordingly, now be distributed among certain ports, to which special instructions will be issued for the guidance of the Commissioners more immediately concerned. It is to be noted that, while in all matters of work, discipline, and obedience to Service regulations, they will be on precisely the same footing as Chinese In-door Staff employes, their eventual appoint-

ment to the Maritime Customs or to other departments of the State is left to be decided later, according to requirements and to the ability they display in the performance of the work assigned to them.

4.—In conclusion, I have to say that the Customs College, by the care and attention of the directors and teaching staff, and by the diligence and good conduct of the students, has justly earned for itself a reputation as a model institution for the training of civil servants, and is likely to be the forerunner of similar establishments to supply an ever-increasing demand for trained men of character and integrity. I regard the College as a very valuable source from which to draw Chinese recruits for the Service, and I look for the happiest results from the intimate and cordial relations that are maintained between it and the Inspectorate.

I am, etc.,

F. A. AGLEN,

Inspector General.

ENCLOSURE.

稅務處令

案查本處創辦稅務學校現已經辦四年該校甲班學生前經考試畢業曾於一月二十一日領給文憑該生等就學多年自應由稅課機關錄用俾國家可收實效而各生亦免荒其所學查總稅務司辦理海關有用人之權歷來華洋人員均歸其進退升調去取目下華員幫辦究竟缺額若干此外別項缺額能否以該生遞補之處相應令行總稅務司詳查申覆以憑核辦可也此令 中華民國貳年貳月捌日

總稅務司申復 稅務處

案奉第三百五十六號

令以案查本處創辦稅務學校現已經辦四年該校甲班學生前經考試畢業曾於一月二十一日領給文憑該生等就學多年自應由稅課機關錄用俾國家可收實效而各生亦免荒其所學查總稅務司辦理海關有用人之權歷來華洋人員均歸其進退升調去取目下華員幫辦究竟缺額若干此外別項缺額能否以該生遞補之處相應令行總稅務司詳查申覆以憑核辦等因奉此總稅務司查設立學校培植人才以致用於文武兩途實為國家之要務然庶政之興端資財力是以稅課一門尤須有幹練廉介之人輔助辦理方能日起有功自稅務學校創設以來總稅務司即視為國家最有實用之機關是以或借與人員或借與書

稅字第叁百伍拾陸號

籍或將各項商品標本隨時寄送無不勉爲襄助而該校辦法之善成績之速以及學員明敏力學程度品格之高尙聞之各處無不交口稱譽若自茲以往各班學員後先繼美則此後新關缺員或添人時甯儘用該校學員而游學歐美以及他處學校之人尙應瞠乎其後尤願以其畢業文憑抵免進關照章之考試惟用人之權原爲總稅務司所固有尙查酌情形或爲國家謀利益或爲關務謀發達有必需延用他處人才時亦不得不隨時酌辦竊維新關所用華人向分兩途一爲幫辦一爲供事按照關章各人進關應由下級遞升以稅務學校學員之程度而論自宜於幫辦而不合於供事况新關向因供事人才極多幫辦人才不易多得故歷來辦法均係由供事班內選其品學最優者提升幫辦其入關卽充幫辦者不過寥寥數人現雖仍舊由供事內拔補幫辦並擬變通向章特准初入關者派充幫辦此後作爲常例但海關幫辦缺額有限向係按照各關所需供求相當就目下情事而論實難安置該校如許學員總稅務司詳爲參酌今年似可暫不派委實缺先行送赴各關交由稅務司加以歷練俾各該學員實地見習以一年爲期應送往某關暨薪水若干由總稅務司核定該見習員均應謹守關章並飭由各該稅務司隨時將其辦事如何詳爲呈報由總稅務司轉報

鈞處當此見習時間仍以學員看待尙有不肯服從指使者卽由各該稅務司停其薪水報由總稅務司將該學員送回

鈞處酌爲安置在此一年期限內新關如有需人之處即可由各見習員內選拔數人提充關員俾資觀感以上所陳各節擬先試辦一年是否可行理合備文復請

核奪示復施行可也此中 中華民國貳年貳月拾柒日

關字第壹千捌百伍號

稅務處令

案查稅務學校學生派往新關錄用一事前令總稅務司籌畫辦法中復去後茲據中稱新關所用華人向分兩途一爲幫辦一爲供事以稅務學校學員之程度而論自於幫辦爲宜但海關幫辦缺額有限實難安置該校如許學員擬今年暫不派委實缺先送各關交由稅務司加以歷練俾各該學員實地見習以一年爲期應送往某關既薪水若干由總稅務司核定在此一年期限內新關如有需人之處即可由各見習員內選拔數人提充關員等因查所擬派用畢業諸生權宜辦法揆之現在情形尙屬妥協應卽照准由稅務學校校長將甲班畢業生函送總稅務司酌派各海關見習量才分別錄用倘日後中央及外省需用財政人員亦可將此項見習員調往差遣既可爲學生廣開出路而國家得收用人之效除令行該校校長與總稅務司按以上各節妥籌辦理外相應令行總稅務司查照辦理可也此令 中華民國貳年貳月貳拾貳日

稅字第肆百叁號

CIRCULAR No. 2021 (SECOND SERIES).

Opium, foreign and native, seizures of: disposal of and issue of rewards and fees; Canton procedure notified.

INSPECTORATE GENERAL OF CUSTOMS,
PEKING, 27th March 1913.

SIR,

Having reference to my Circular No. 1959:

Opium, native, seizures of: disposal of and issue of rewards and fees; Wuchow procedure notified:

I now append, for your information and guidance, copies of the correspondence which has passed between myself and the Canton Commissioner on the subject of the disposal of seizures of opium, foreign and native, at Canton and the neighbouring ports of the Canton province. Whether the seizure rewards offered will be sufficient to induce informants to come forward remains to be seen; but I attach great importance to the principle which has been accepted by the Canton and Kwangsi authorities, that the government undertakes to dispose of opium seizures, and I am anxious to see a similar procedure established at all ports.

I am, etc.,

F. A. AGLEN,
Inspector General.

ENCLOSURE.

The Inspector General to the Canton Commissioner.

No. 3350.	Commrs.	INSPECTORATE GENERAL OF CUSTOMS,
Canton.	No. 44,722.	PEKING, 16th December 1912.

SIR,

I am directed by the Inspector General to acknowledge receipt of your despatch No. 8767 (having reference to your despatch No. 8765):

Applying for general authority to dispose of future seizures of opium through the medium of Mr. Fonseca, of Macao, as the average local price of uncertificated

opium is not likely to be exceeded if the drug is sold abroad, and consequently the moneys available for informants fees will not be on a sufficiently large scale to induce informers to come forward:

and, in reply, to say that there is another consideration besides the one you give, and that is the effect of our selling to Macao on public opinion in China. The Inspector General would prefer that the selling were done by the Canton territorial authorities, and the rewards, on the basis of three-tenths and one-tenth of Canton values, handed over by them. In that case the Inspector General would not be disposed to insist on claiming the other six-tenths for Account *B*. It is not in Service interests that we establish a practice of selling direct to Macao, in spite of the fact that the Shui-wu Ch'u authorised sale in this one case. Opium is now on the road to being declared contraband, and it is only right that its disposal and the issue of rewards in connexion with it should be put on a special footing.

I am, etc.,

C. H. BREWITT-TAYLOR,

Chief Secretary.

The Canton Commissioner to the Inspector General.

No. 8872.

CUSTOM HOUSE,

I.G.

CANTON, 15th January 1913.

SIR,

1.—I have the honour to acknowledge the receipt of your despatch No. 3350/44,722:

Concerning the sale of confiscated opium in Macao, and intimating that it would be more desirable to dispose of opium seizures through the Canton territorial authorities, on the basis, as regards rewards, of three-tenths and one-tenth of the Canton value, in which case the Inspector General would not insist on claiming the other six-tenths for Account *B*:

and, in reply, to state that your suggestions have received my most careful attention. I took an early opportunity of communicating them to the Tutu (都督), in the form of a letter, and informed him that in preventive matters the Customs necessarily depend a great deal on the information supplied by informers, and that it is

the practice to issue liberal rewards in order to encourage them; but I emphasised the fact that poor prices were paid for contraband opium at the few foreign markets available, and that great delay was consequently experienced in effecting a sale. I then inquired whether the local government would themselves dispose of opium seizures and issue rewards on the basis of three-tenths and one-tenth of the Canton value, etc., in which case the Inspector General would waive his claim for the remaining six-tenths for Account *B*. And as regards native opium, I further suggested that it should be treated similarly, except that the rewards issued by the Tutu should be on a smaller scale, seeing that it is of less value, at the rate of *Hk.Tls.* 30 per 100 taels weight.

2.—The Governor has agreed to all of the above suggestions and has undertaken to act accordingly. I have the honour to enclose a copy of the Chinese correspondence concerned for your information and approval, from which you will observe that opium seizures handed over by the Customs to the local authorities in future will be destroyed—not sold,—that the necessary rewards will be issued by the Treasurer, and that, since all matters relating to the prohibition of opium smoking concern the Police Department, all the contraband opium concerned is to be sent to the Police Commissioner, Mr. Chan King Wah (陳景華), to be dealt with by him.

3.—The conclusion of this arrangement solves a very difficult problem in connexion with the issue of rewards to informers. The inevitable delay brought about by the necessity of disposing of illicit opium abroad greatly discouraged informers and occasioned discontent, with the result that less information (a most important factor in the prevention of smuggling) was forthcoming. I therefore trust that the new scheme will work satisfactorily, and that the liberal rewards provided for—assuming that they will be issued promptly—will prove to be an incentive to both Customs officers and informers where preventive work is concerned.

4.—I should add that I propose to enter into communication with the neighbouring Kwangtung ports, with a view to arranging for the disposal of their opium seizures in conformity with the above plan—subject, of course, to the Governor's acquiescence.

I have, etc.,

F. W. MAZE,
Commissioner.

The Inspector General to the Canton Commissioner.

No. 3399.	Commrs.	INSPECTORATE GENERAL OF CUSTOMS,
Canton.	No. 45,373.	PEKING, 1st February 1913.

SIR,

I am directed by the Inspector General to acknowledge receipt of your despatch No. 8872 (having reference to I.G. despatch No. 3350/44,722):

Reporting the arrangement made for the disposal of confiscated opium to the local government:

and, in reply, to say that this arrangement is very satisfactory, and your promptness in taking up the suggestion and getting it carried out is commended, establishing as it does a precedent that may be useful.

I am, etc.,

C. H. BREWITT-TAYLOR,

Chief Secretary.

The Canton Commissioner to the Inspector General.

No. 8924.	CUSTOM HOUSE,
I.G.	CANTON, 6th March 1913.

SIR,

1.—Having reference to your despatch No. 3350/44,722:

Authorising me to dispose of opium seizures to the Governor, on the understanding that the rewards for seizing officers and informers should represent one-tenth and three-tenths of the Canton value, in which case you were prepared to waive your claim to the remaining six-tenths for Account B:

and in continuation of my despatch No. 8872 to your address, dated 15th January last:

Intimating that I had concluded an arrangement with the Tutu (都督) on the above lines:

I have now the honour to state that although the Governor had officially signified his acceptance of these terms, as already reported,

the Treasurer (財政司) subsequently urged that the proposed scale of rewards was too high, and I was therefore requested to reconsider my original suggestions, with a view to reducing expenses.

2.—I have the honour to enclose herewith a copy of the Chinese correspondence concerned, from which you will observe that the Treasurer contends that the values originally given by the Customs for the opium in question were too high when compared with the prices ruling here a few years ago, etc.; and, further, that as the retail sale of the drug is no longer permitted in Canton, it is difficult to arrive at the true local market value, which, in a sense, no longer exists, and it would therefore be desirable to introduce, instead, a fixed rate for rewards, etc. I assented to the latter proposal, to avoid constant misunderstanding and discussion, provided, of course, that the scale agreed to was sufficiently liberal to render it worth while for informers to come forward with information, yet sufficiently reasonable not to be too expensive for the treasury, etc. The rates ultimately settled, and approved of by the Governor, are as follows:—

Native Opium, Raw.

For informers . . .	\$20 per 100 taels weight.
„ seizing officers .	\$10 „ „ „ „

Native Opium, Prepared.

Double the above amounts for the same weight.

Foreign Opium, Raw.

For informers . . .	\$30 per 100 taels weight.
„ seizing officers .	\$15 „ „ „ „

Foreign Opium, Prepared.

Double the above amounts for the same weight.

Opium Dross.

Same as Foreign Opium, Raw.

3.—At the above rates the amount claimed for the first instalment of confiscated opium handed to the Police Department aggregates \$4,446.90, instead of \$6,424.15 originally estimated according to the reported local value. Taking into consideration, however, the

impoverished condition of the Canton treasury, and the difficulty and vexatious delay connected with disposing of the opium abroad, I have the honour to request your approval of my action in concluding the foregoing modified arrangement.

I have, etc.,

F. W. MAZE,
Commissioner.

The Inspector General to the Canton Commissioner.

No. 3470.	Commrs.	INSPECTORATE GENERAL OF CUSTOMS,
Canton.	No. 46,260.	PEKING, 25th March 1913.

SIR,

I am directed by the Inspector General to acknowledge receipt of your despatch No. 8924 (having reference to Canton despatch No. 8872 and I.G. despatch No. 3350/44,722):

Requesting the Inspector General's sanction to a modification of the arrangement made for the disposal of confiscated opium to the local government:

and, in reply, to say that the modification of the original arrangement is sanctioned. The principle—that the government undertakes disposal and issue of rewards—is more important than the actual amount issued.

I am, etc.,

C. H. BREWITT-TAYLOR,
Chief Secretary.

CIRCULAR No. 2027 (SECOND SERIES).

**Superintendents of Customs appointed by Central Government:
allowances for, to be paid from revenue moneys from
1st April 1913; instructions.**

INSPECTORATE GENERAL OF CUSTOMS,
PEKING, 14th April 1913.

SIR,

1.—The question of issuing Superintendents allowances* from revenue moneys has been under consideration for some time, and I am now able to inform you that an agreement has been arrived at between the Wai-chiao Pu and the Diplomatic Body, in accordance with which I am now authorised by the Shui-wu Ch'ü to deduct locally from revenue and issue to the Superintendents concerned, monthly, the following sums, viz.:—

\$3,000 per month at Shanghai and Canton.

\$2,500 per month at Tientsin, Foochow, Newchwang, Chefoo, and Hankow.

\$2,000 per month at Ichang, Kiukiang, Wuhu, Chinkiang, Ningpo, Wenchow, Amoy, Swatow, Kiungchow, Chungking, Antung, and Changsha.

\$1,500 per month at Nanking, Soochow, Hangchow, Wuchow, Nanning, and Mengtsz.

2.—The local treatment of this matter is to commence at all ports as from 1st April 1913. At the end of the current month the Commissioners at each of the ports named, with the exception of Changsha, will appropriate from the *Foreign Revenue* balance in hand the required sum and hand it to the Superintendent under cover of a despatch and voucher modelled after the accompanying *pro formâ*. At ports which receive this Circular after 30th April, the April instalment is to be paid over at once or as soon as the balance allows of it; and the May instalment at the end of May, and so on. The payment is to be accounted for under the heading "1. Charges on Revenue: (c.) Extraordinary."

3.—At ports where the revenue balance should not suffice for this appropriation, or not suffice after deducting the Customs allowance, the sum due is to be paid from Account D, under the heading 7. Unclassed, "*Superintendent's Allowance*," a note to

* For subsequent changes in these allowances, *vide* "China's Customs Revenue since the Revolution of 1911" (3rd Edition), pp. 74–77, and I.G. Circ. Nos. 5134 and 5604, *postea*, vol. v.

that effect being made in the Revenue Account, [B.—6], for the month concerned. Should the local balance in Account *D* not be sufficient to meet the payment, timely application is to be made to me for a grant. It may be noted here that with the exception of the one port, Changsha, to which special instructions are being issued, no hard and fast rule is given as to which ports are to issue from revenue and which from Account *D*. Nor is it necessary, save in the case of Changsha, that a port should consistently issue from one source. Some ports may issue from revenue during the busy season and from Account *D* during the slack months, etc., but *one month's allowance is not to be split up between the two sources*. All that is needed is some foresight from month to month to make sure that there will be sufficient funds in Account *D* to meet the (full) allowance in case there should be doubt regarding the balance in the Foreign Revenue Account *after meeting all other regular claims* due at the end of the month concerned.

4.—Superintendents allowances are to be issued in *dollars* or—after consultation with the recipient—in local currency equivalent, at the rate of the day, to the exact sum in dollars fixed by the Government. This amount is to be accounted for under the given heading at the usual fixed rate between the currency and Haikwan taels, the difference being adjusted in the Gain or Loss by Exchange heading in the *Revenue Account*. Thus, for example, Tientsin may have to pay \$2,500 at the day's rate, say 71, equal to *Hongping Tls.* 1,775, which at the fixed local rate, 105, is equal to *Hk.Tls.* 1,690.48, the transaction being entered as follows:—

Under 1 (c.), \$2,500 at 1.50 equal *Hk.Tls.* 1,666.67.

Under 1 (b.) Loss by Exchange, *Hk.Tls.* 23.81.

When the allowance is issued from Account *D*, the voucher is to show merely in one sum the exact equivalent of what is issued in dollars or in the port's currency (*e.g.*, in the above case, *Hk.Tls.* 1,690.48), without introducing the Haikwan tael book equivalent of the dollar quota due.

5.—These allowances are only to be issued to Superintendents appointed under Presidential Mandate by the Central Government, whose appointments have been duly notified by myself, and after the incumbent has notified the Commissioner officially of his assumption of charge of the Superintendency.

I am, etc.,

F. A. AGLEN,

Inspector General.

ENCLOSURE.

稅務司照會監督

關稅務司

案查各關監督經費由關稅項下撥用一事現奉 總稅務司第

號令以奉 稅務處第五百

八十三號令開各關監督經費業經外交部商由各國公使照允提撥所有該項經費應由各關照部定數

目撥交各該關監督應用等因令行遵辦等因奉此 稅務司查所有應撥

貴監督之經費按照部定數目每月爲洋銀

圓合卽遵於本年四月一號起將四月分應撥

之經費洋銀

圓繕具支票並備執據二紙照請

查收卽希將此項執據一併簽字繳還以便分別存送備案可也此照

Pro formâ.

附 支票一紙
執據二紙

CIRCULAR No. 2032 (SECOND SERIES).

Opium, foreign and native: Canton procedure for disposal of seizures of, and issue of rewards, etc.; copies of Chinese correspondence *in re*.

INSPECTORATE GENERAL OF CUSTOMS,
PEKING, 19th April 1913.

SIR,

With reference to my Circular No. 1959, and in continuation of Circular No. 2021:*

Opium, foreign and native, seizures of: disposal of and issue of rewards and fees; Canton procedure notified:

I now append, for your information and guidance, copies of the correspondence which passed between the Canton Commissioner and the Kwangtung authorities on this subject, and which resulted in the arrangement notified in my Circular No. 2021.

I am, etc.,

F. A. AGLEN,
Inspector General.

* *Antea*, vol. iii, p. 97.

ENCLOSURE.

稅務司函致邵督稅字第捌拾肆號

敬啟者查近日執行禁烟辦法尙未卓著成效制止烟土銷場其吸烟之人仍佔大多數不惜以重價購烟海關徵收烟稅經已加重係欲協力扶助政府以免違禁烟土運入境內至粵海關截緝烟土屢經拏獲私運甚多本稅務司對於此事自當廣續注意辦理斷不稍形鬆懈惟是海關破獲私運多靠綫人密報而綫人花紅大率於拏獲烟土變價發賣後卽照所得之價酌提三成或五成充賞此項截拏烟土若在通商口岸變賣得價較高惟海關不能在通商口岸變賣私烟而外洋各埠致函來關訂買之價又屬太低似此實無妥善辦法可否由粵海關將拏獲烟土解交

貴大都督聽候發落並由

貴大都督按照省城市價發給三成及一成來關以備充賞如由綫人密報拏獲者卽將三成花紅轉給綫人其一成花紅發給本關緝私員弁如非由綫人密報拏獲者祇請發給三成花紅以爲賞給關員緝私之用倘

貴大都督允照上開辦法辦理則所餘六成應歸海關罰款項下之款者

總稅務司經已聲明情願放棄不再索取至土藥一節本稅務司擬請一律照此辦理但土藥之價低於

洋藥故充賞花紅自應酌量減少現擬拏獲土藥每重百兩賞給關員關平紋銀十兩如由綫人密報拏獲者每重百兩另給綫人花紅關平紋銀二十兩以上各節係屬擬議辦法是否可行之處應請

酌核迅賜示覆爲盼專此敬請

勛安

拾貳月叁拾日

都督函復稅務司天字第柒拾號

敬復者案接

貴稅務司來函近日執行烟禁辦法尙未卓著成效照前函云云至應請酌核迅賜示覆等由查本省禁烟首在禁種禁吸而禁運尙隨其後近來禁令日益加嚴而私運私購日益加多海關截緝誠爲亟要之圖

貴稅務司對於此事注意辦理不稍鬆懈所有協扶政府實具熱心曷勝緬佩所擬拏獲各種私土分別按成按重酌提花紅銀兩賞給綫人關員以資鼓勵均可照辦惟此項獲到售出提賞盈餘之六成土價尙歸海關罰款項下報解者總稅務司既聲明情願放棄不再收取嗣後由海關獲解到日卽令全數銷毀不再發售其應出之花紅銀兩由財政司另行籌撥充賞所有本省禁烟一切事宜歸警察廳專政如有獲到各種私土卽請

貴稅務司備函逕解警察廳兌收具報即將花紅銀兩由廳解送充賞除分文行知遵辦外爲此函復卽頌
日祉

胡漢民 壹月拾肆日

稅務司函致都督稅字第玖拾壹號

敬啟者前奉

復函以本關所擬拏獲各種私土分別按成按重酌提花紅銀兩賞給線人關員以資鼓勵均可照辦嗣後如有
獲到各種私土卽請備函逕解警察廳兌收具報卽將花紅銀兩由廳解送充賞等因本稅務司遵將本關拏獲
各項私土轉解警察廳長兌收茲特開具清單一紙送

閱該清單內分別列明計熟膏三百三十四斤十一兩公班土一百八十七斤十四兩波斯土四十八斤四兩烟
灰八斤十四兩以上私土祇有一份係由線人密報本關拏獲是以線人花紅較之關員花紅爲少惟線人必須
從優給賞以示鼓勵俾伊等隨時前來密報以憑破獲此節最爲緊要至此項花紅從速發給則於截緝私土必

更得力再本關查緝私烟自當熱心辦理始終如一斷不鬆懈也專此順頌

日祉

舊月貳拾日

計送清單一紙

都督指令稅務司傳字第壹百伍拾叁號

現據財政司長廖仲愷呈稱案奉都督指令第六百七十號內開本年一月二十日據粵海關稅務司梅樂和函開本關拏獲各項私土已解警察廳長兌收茲特開列清單一紙送閱該清單內分別列明計熟膏三百三十四斤十一兩公班土一百八十七斤十四兩波斯土四十八斤四兩烟灰八斤十四兩以上祇有一份係由線人密報本關拏獲是以線人花紅較之關員花紅爲少惟線人必須從優給賞以示鼓勵俾伊等隨時前來密報以憑破獲此節最爲緊要至此項花紅從速發給則於截緝私土必更得力再本關查緝私烟自當熱心辦理始終如一斷不鬆懈也等由查此項拏獲私烟膏土前據稅務司函商當經分令該司廳核實辦理在案茲據前由除函復外應令該司廳長照依原案及現發清單分別兌收估價按成提款解交稅務司收領分賞並將私烟膏土全

數銷毀具報計發照抄清單一紙等因奉此續奉都督指令第九百七十一號內開據呈請飭稅務司嗣後關員線人拏獲私烟膏土應給花紅數目規定辦法等由查稅司梅樂和原請將拏獲膏土照依時價估值該司以現在省市禁吸甚嚴此項膏土已無販運市價自難定其標準惟梅稅司續將所獲膏土送交警察兌收據其報告開列清單業經照抄行令該司核估按成發給賞銀該稅司單開時價是否相宜卽由該司核明酌發可也各等因到司奉此查核抄發梅稅務司清單內開熟膏三百三十四斤十一兩每百斤估值銀五千五百六十八元共值香港紙幣一萬八千六百三十五元四毫勻計每兩值銀三元四毫八仙公班土一百八十七斤十四兩每百斤估值二千八百七十一元共值香港紙幣五千三百九十三元八毫九仙勻計每兩值銀一元七毫九仙四文波斯土四十八斤四兩每百斤估值二千一百七十五元共值香港紙幣一千零四十九元四毫四仙勻計每兩值銀一元三毫五仙九文烟灰八斤十四兩每百斤估值銀二千三百六十五元共值香港紙幣二百九元九毫勻計每兩值銀一元四毫七仙八文比較前次該關調查近六年內拏獲私運洋藥清單所列每兩變價多者不過九錢九分八釐少者祇二錢三分二釐卽至最近之一千九百一十二年每兩亦四錢二分而止何以前次變價所得之數如此其少而此次按值給賞之數則如此其多縱云時價不同而前後兩年亦不至相懸至此現在

執獲各項膏土僅五百餘斤應給關員一成及線人三成花紅照單開數目已達香港紙幣六千四百餘元有奇竊恐來日方長此項虛銷將無底止雖烟禁不能不顧而庫款亦斷難多糜惟有仍請都督查照前呈迅飭粵海關稅務司嗣後關員線人拏獲私烟膏土應給花紅數目規定辦法呈候核定分行遵辦庶不至漫無標準於度支不無裨益所有此次應給花紅擬俟規定辦法行司後再行遵照核給是否有當理合備文呈請都督察核並希指令祇遵等由前來應如所請辦理合令該稅務司遵照速將嗣後關員線人拏獲私烟膏土應給花紅數目規定辦法呈候核定飭遵此令

中華民國貳年貳月拾肆日

胡漢民

稅務司函覆都督稅字第壹百伍號

敬覆者昨奉

指令以海關前獲私土解交警察廳查收並列單估定價值請按照成數給賞一事查前次該關調查近六年內拏獲私運洋藥清單所列價值不同何以前次變價所得之數如此其少而此次按值給賞之數則如此其多飭將嗣後關員線人拏獲私烟膏土應給花紅數目規定辦法呈候核定分行遵辦等因本稅務司查自西曆一千

九百十一年洋藥稅釐加增並自印度烟土限制進口之後烟土市價當然加增本關前次拏獲烟土所列估價係在本城調查據可靠消息小心核算實非太多此係省外各屬可購烟土之價至港澳兩處向無洋藥稅釐故港澳售賣烟土其價格自比省城爲更低是則一千九百十二年全年之內往澳門售賣烟土所得之價不能作爲省城市價再查海關充公洋藥從前付往港澳變價發賣者向皆按照所得之價提出六成賞給線人而本稅務司前次移解私烟往警察廳祇擬賞給線人三成花紅蓋因本城烟價較高故綫人花紅較之從前減少按政府主旨實欲厲禁吸烟故海關必須隨時竭力截緝杜絕私運而截緝私運線人大有助力如欲鼓勵綫人必須從優迅速給賞但財政司所稱關員線人拏獲私烟膏土應給花紅數目必須規定辦法雖烟禁不能不顧而庫款亦斷難多糜一節本稅務司深表同情現在悉心籌度擬請嗣後拏獲中國生土每重一百兩給線人花紅二十元關員花紅十元中國土膏每重一百兩給線人花紅四十元關員花紅二十元外洋生土每重一百兩給線人花紅三十元關員花紅十五元外洋熟膏每重一百兩給線人花紅六十元關員花紅三十元烟灰卽照外洋生土花紅數目分給線人關員以上所擬辦法本關仍候

總稅務司核奪現照上文所擬花紅數目核算則本關前次解交警察廳之私烟膏土原議請發六千四百二十四元一毫五仙現請改爲給線人花紅二千二百五十二元四毫給關員花紅二千一百九十四元五毫以上二款合共香港紙幣四千四百四十六元九毫按省城外各別府屬私賣烟土烟膏價格甚高而嚴禁吸食必須先行禁絕私運故本稅務司鄙見緝私花紅必須從優而此次所擬核減數目不宜再爲低減擬請

貴大都督諭令財政司按照四千四百四十六元九毫之數備具海關官銀號香港紙幣銀單一紙送交過關至紐公誼除將此次函稿另摺抄送財政司查閱外專此順頌

日祉

貳月拾柒日

都督函復稅務司

天字第柒拾陸號

逕復者頃接

來函閱悉一切所議拏獲私烟膏土應給線人關員花紅數目及前次獲送之膏土減發花紅一款已令財政司核明分別籌發矣此復卽頌

日祉

胡漢民貳月貳拾貳日

SEMI-OFFICIAL CIRCULAR No. 7.

Customs revenue: handling of, by Bank of China; instructions.

INSPECTORATE GENERAL OF CUSTOMS,
PEKING, 24th May 1913.

SIR,

Circular instructions have recently been issued by the Ministry of Finance to the Superintendents of Customs to the effect that the collection and handling of revenue moneys are to be entrusted to branches of the Bank of China (中國銀行) established at the ports, or to special revenue-collecting agencies (派出所) under the direction of the bank at those places where ordinary business does not warrant the opening of a branch. The idea underlying these instructions is a sound one, and the concentration of Central Government funds in a Central Government bank has been advocated by myself as a step to be prepared for and eventually adopted throughout China; but the issuing of instructions to the Superintendents direct at this stage is premature and takes no account of the fact that Commissioners and not Superintendents control and are responsible for Maritime Customs revenue moneys at the ports. I am in favour, and have so informed the Government, of entrusting, when circumstances permit, revenue collection to the Bank of China or its branches under properly drawn up agreements, but I am not prepared to hand over collection to *p'ai ch'u so*, which would merely be Haikwan Banks under another name and altogether out of our control. Should Superintendents, who will naturally wish to carry out the instructions they have received, approach you in this matter, you are to reply that you are unable to make any change in existing arrangements without my authority, and you will note that without explicit instructions from me no change in revenue banking arrangements is to be made.

I have to request you to treat this Circular as strictly confidential.

I am, etc.,

F. A. AGLEN,
Inspector General.

CIRCULAR No. 2058 (SECOND SERIES).

Yalu frontier trade: copy of Agreement and correspondence concerning special duty reduction treatment of goods imported into, and exported from, Manchuria through Chosen by rail *via* Antung.

INSPECTORATE GENERAL OF CUSTOMS,
PEKING, *2nd June* 1913.

SIR,

I enclose copy of an Agreement, signed on the 29th May by the Japanese Minister and myself, concerning special duty reduction treatment of goods imported into Manchuria from or through Chosen, and exported from Manchuria to or through Chosen, by rail *via* Antung.

I also enclose copies of the correspondence which has passed between the Shui-wu Ch'u and myself in this connexion, and a copy of my despatch to the Japanese Minister and his reply.

I am, etc.,

F. A. AGLÉN,
Inspector General.

ENCLOSURE No. 1.

AGREEMENT CONCERNING SPECIAL DUTY REDUCTION
TREATMENT OF GOODS IMPORTED INTO MAN-
CHURIA FROM OR THROUGH CHOSEN, AND EX-
PORTED FROM MANCHURIA TO OR THROUGH
CHOSEN, BY RAIL *VIA* ANTUNG.

ARTICLE 1.—On dutiable goods leaving Manchuria by railway for places beyond Hsin Wiju, and on dutiable goods proceeding to Manchuria by railway from places beyond Hsin Wiju, export and import duties respectively shall be levied at two-thirds of the Maritime Customs duty rates.

ARTICLE 2.—Goods exported from Manchuria by railway for subsequent shipment from Hsin Wiju by the Yalu Waterway, and, *vice versâ*, goods having arrived at Hsin Wiju by the Yalu Waterway and thence imported into Manchuria by railway, are not entitled to the aforesaid reduction in duty.

In consequence, on all dutiable goods exported from Manchuria to Hsin Wiju by railway full duty will be charged. A rebate of one-third of the duty will, however, be granted on goods—

(a.) For local consumption at Hsin Wiju.

(b.) Which subsequently, within a period of two years from their date of exportation from Manchuria, are transported by railway beyond Hsin Wiju.

In regard to goods mentioned under (a.), the Import Permit, issued by the Hsin Wiju Customs (showing payment of import duty), and in regard to goods mentioned under (b.), the Transport Permit, issued by the Hsin Wiju Customs, giving the necessary particulars to enable the Antung Customs to identify the original goods exported, will be accepted as proof of the goods having complied with the conditions necessary to obtain a rebate of one-third of the duty.

On dutiable goods imported by railway into Manchuria from Hsin Wiju, other than those mentioned in the beginning of this Article, import duty will be charged at the rate of two-thirds of the Maritime Customs duty rate in force, if the goods are accompanied by the Hsin Wiju Customs Export Permit or Transport Permit, declaring that they have not arrived by vessel.

Any change in the procedure of the Korean Customs may necessitate a revision of the Chinese Customs procedure in regard to the goods mentioned in this Article.

ARTICLE 3.—The transit dues on goods coming under the one-third duty reduction privilege conveyed to the interior of Manchuria are one-third the Maritime Customs Tariff duty, *i.e.*, one-half of the two-thirds import duty paid.

ARTICLE 4.—Goods imported at Antung under the one-third duty reduction privilege and subsequently conveyed by rail to a non-Manchurian treaty port or the interior of the provinces of China Proper, or conveyed by sea to any place in Manchuria or China Proper, will have to make good to the Chinese Maritime Customs the reduction enjoyed before they will be accorded the ordinary Customs treatment given foreign imports in accordance with treaty stipulations.

ARTICLE 5.—Applicants applying for goods must hand in, in addition to the English and Chinese Application, duplicate copy of the Railway Way Bill containing the following particulars: name of sender and, if possible, the name of the addressee, place of despatch of goods (the station of departure), destination (name of railway station), denomination, quantity and weight of goods, mode of packing, signs, marks, numbers, etc., and, when possible, the value of the goods, and the signature of the railway official appointed for the purpose.

ARTICLE 6.—The principle of the Korean and Chinese Customs authorities mutually assisting each other in preventing frauds against the revenues of their respective countries is recognised.

L.S.L.S.

H. IJUIN,

F. A. AGLEN,

*Minister of Japan.**Inspector General of Customs.*

Signed and sealed at Peking the 29th May 1913.

ENCLOSURE No. 2.

總稅務司申呈 稅務處

案查滿韓交界來往貨物減徵稅項一事前奉第五百七十號

令以准外交部函稱現已照會日本公使凡由朝鮮經南滿鐵路運入滿洲或由滿洲經鐵路運往朝鮮之貨允照減稅三分之一函請迅飭總稅務司轉行等因相應令行查照等因奉此當即轉飭安東關稅務司與日本該管各官商酌擬備試行之辦法以期來往貨物得享減稅之利益並預防流弊以免關稅受虧去後茲據該稅務司復稱業與日本駐安領事詳議再四熟商始尋得兩面認為合宜之辦法擬具六條呈請核示前來總稅務司核閱該底稿其字樣有稍須改正之處俾得顯明其中擬改之字樣現已知照日本公使詳查所擬六條第一條係聲明何項貨物應行減稅第二條係聲明應用何法以免由鴨綠江船運往來貨物冒享減稅之利益第三條係聲明減稅貨物運入滿洲內地應完何項子稅第四條係聲明減稅貨物運赴東三省以外各行省之通商口岸及內地應行補稅之辦法第五條係聲明減稅貨物由火車裝運應將鐵路貨單副本呈關以便查驗第六條係聲明中韓兩國稅關應彼此互相輔助以杜弊端相應將擬具之辦法底稿呈請核奪並示知如何互相立案以便遵循竊維此項條件不但係尋常海關章程且與外交及外國海關行政上頗有關係現日本公使亦接到該國駐安領事之呈稿是以鄙意以為應援照大連關成

案由總稅務司與日本公使將此六條兩面簽押爲妥奉到前因理合備文附請
鑒查可也此申

附底稿
英漢文各一件

中華民國貳年伍月貳拾貳日

關字第壹千捌百捌拾貳號

稅務處令行總稅務司

案查滿韓交界鐵路運貨減徵稅項一事前據總稅務司申送防弊試行辦法
英漢文底稿六條當經本處以該辦法

除漢文底稿第二條末句中國海關亦似應隨時改定其似字擬即刪去外其餘大致尙屬完密可行抄錄
英漢文原

件函達外交部查核見復去後茲准復稱總稅務司所具辦法六條大致尙屬完密可行此項辦法雖亦應屬關章
之內實與外交上頗有關係自可援照訂立大連關章程成案由總稅務司與日本公使雙方簽押以昭信守至前
項試行辦法一經彼此簽定尙希知照本部等因相應令行總稅務司查照即將此項試行辦法漢文底稿第二條
末句之似字刪去並與日本公使彼此簽押試行一俟簽定後申復本處可也此令
中華民國貳年伍月貳拾捌日

稅字第捌百拾叁號

由朝鮮用火車運貨經安東赴東三省暨由東三省運貨赴朝鮮之減稅試行辦法

第一條

凡應稅貨物裝火車由東三省運往朝鮮新義州以東各地方及由新義州以東各地方運入東三省者均應分別完納海關進出口稅三分之二

第二條

凡貨物裝火車由東三省運往新義州再由鴨綠江轉運出口者或由鴨綠江運入新義州再裝火車轉運安東進口者均不准援引第一條三分減一之例以求減稅所以凡屬應稅之貨由東三省裝火車運至新義州卸載即應先完一出口正稅惟如係在新義州銷售以供當地使用領有新義州稅關完納進口稅之單據呈交海關查驗如單內所列各項足以證明實係由安東出口之某項原貨則安東關即應承認該單為應行減稅之憑證又如係在二年之內裝火車轉運新義州以東各地方領有新義州稅關所發給之鐵路運單呈交海關查驗如單內所列各項足以證明實係由安東出口之某項原貨則安東關即應承認該單為應行減稅之憑證至於進口之貨除由鴨綠江運入新義州再裝火車轉運安東進口之貨不計外如由新義州裝火車運入東三省之應稅貨物領有新義州稅關所發之出口准單或運單註明該貨確非由鴨綠江裝船運來之貨者即應完納海關進口稅三分之二嗣後朝鮮海關章程如有變更則以上所列辦法中國海關亦應隨時改定

第三條

凡照三分減一納稅進口貨物如有轉運東三省內地者應照中國海關當時稅則所載稅率完納三分之一之口稅即係三分之二進口稅之一半

第四條

凡照三分減一納稅由安東進口之貨物如欲裝車轉運東三省以外各行省之通商口岸或內地以及裝船運赴東三省以內各地或以外各行省者如不先在中國海關補足所減之稅則條約訂定之進口貨物海關一切辦法該項貨物均不得援引適用

第五條

凡商人請驗貨物之時除呈遞華英報單外應再呈遞鐵路貨單副本內須註明以下所開各節如原發貨人姓名若能將領貨人姓名註明亦應併註暨原貨由何站發運赴何站以及貨色名目件數斤量包裹形勢標記字樣號碼等若能將貨物價值註明亦應併註更須由鐵路職員畫押作證

第六條

中國及朝鮮彼此應行相助以便互防滿鮮各地或有偷漏稅項之事此意現在雙方均經承認

ENCLOSURE No. 3.

The Inspector General to His Excellency the Minister for Japan.

No. 2973.

INSPECTORATE GENERAL OF CUSTOMS,

General.

PEKING, 29th May 1913.

SIR,

I have the honour to enclose, duly signed by myself and in duplicate, the Agreement concerning special duty reduction treatment of goods imported into Manchuria from or through Chosen, and exported from Manchuria to or through Chosen, by rail *via* Antung, and request that Your Excellency will return one copy to me after signature and retain the other for record.

In sending this Agreement for Your Excellency's signature, I have the honour to place on record certain points contained in proposals submitted by the Antung Acting Commissioner of Customs, Mr. P. C. Hansson, to His Imperial Japanese Majesty's Consul, Mr. Yoshida, at the preliminary discussion of this Agreement which took place at Antung, points which, in deference to Mr. Yoshida's wishes, were omitted from the draft Agreement, on the understanding that they would be agreed to in notes to be exchanged on signature of the Agreement.

1. That the station Sekika, the first station on the Chosen Government Railways beyond Hsin Wiju, about 2 miles distant from that place, be not made use of to obtain the one-third duty reduction on exports from Manchuria which are shipped by the "Yalu Waterway," and that the Hsin Wiju Customs authorities specially agree to take measures to see that the duty reduction privilege is not abused in the case of exports from Manchuria to Hsin Wiju or imports into Manchuria from that place.
2. That the "Yalu Waterway" has been substituted for "Hsin Wiju" or adjacent places on the Korean side of the Yalu Yongampo (龍岩浦), Tasarugi Anchorage (多獅島錨地), etc., without this change of phraseology implying any change of the meaning or definition contained in the words first employed.

3. That it is understood that just as the Korean Customs maintain a branch office at Antung, China reserves her right to establish Chinese Customs officers on the Korean side of the Yalu, and to seal railway cars moving across the bridge. The framing of these regulations has been specially devised so as to avoid this necessity; but in the event of its being necessary to establish an office on the Korean side, offices will be provided by the Korean authorities in or near the Hsin Wiju Custom House ^{and}_{or} at the Hsin Wiju railway station. The free access of Chinese Maritime Customs officers to the Hsin Wiju railway station and yards is also guaranteed. Free tickets for Customs employés to move across the bridge from Antung to Hsin Wiju and *vice versa*, by all trains, will be issued by the South Manchuria Railway Company and the Chosen Government Railways.

I shall be obliged if Your Excellency, in returning to me one signed copy of the Agreement, will inform me that the points enumerated above have been noted and agreed to by you.

I have further to propose that the 2nd June—the 1st being a Sunday—be agreed to as the date from which the Agreement shall take effect.

I also enclose a copy of the Chinese translation of the Agreement which I have had made for the information and use of the Shui-wu Ch'u and Wai-chiao Pu, the authentic version being, of course, the English which we sign.

I have, etc.,

F. A. AGLEN,

Inspector General of Customs.

ENCLOSURE No. 4.

His Excellency the Minister for Japan to the Inspector General.

JAPANESE LEGATION,
PEKING.

PEKING, 29th May 1913.

SIR,

I have the honour to acknowledge the receipt of your note of to-day's date, forwarding to me the Agreement, in duplicate and duly signed by you, concerning special duty reduction treatment of goods imported into Manchuria from or through Chosen, and exported from Manchuria to or through Chosen, by rail *viâ* Antung, and beg to return to you, herewith, one copy of the Agreement which I have duly signed.

In signing the Agreement, I duly note and agree to the points enumerated in your note, viz.:—

1. That the station Sekika, the first station on the Chosen Government Railways beyond Hsin Wiju, about 2 miles distant from that place, be not made use of to obtain the one-third duty reduction on exports from Manchuria which are shipped by the "Yalu Waterway," and that the Hsin Wiju Customs authorities specially agree to take measures to see that the duty reduction privilege is not abused in the case of exports from Manchuria to Hsin Wiju or imports into Manchuria from that place.
2. That the "Yalu Waterway" has been substituted for "Hsin Wiju" or adjacent places on the Korean side of the Yalu Yongampo (龍岩浦), Tasarugi Anchorage (多獅島錨地), etc., without this change of phraseology implying any change of the meaning or definition contained in the words first employed.
3. That it is understood that just as the Korean Customs maintain a branch office at Antung, China reserves her right to establish Chinese Customs officers on the Korean side of the Yalu, and to seal railway cars moving across the bridge. The framing of these regulations has been specially devised so as to avoid this necessity; but in the event of its being necessary to establish an office on the Korean side, offices will

be provided by the Korean authorities in or near the Hsin Wiju Custom House ^{and}_{or} at the Hsin Wiju railway station. The free access of Chinese Maritime Customs officers to the Hsin Wiju railway station and yards is also guaranteed. Free tickets for Customs employés to move across the bridge from Antung to Hsin Wiju and *vice versa*, by all trains, will be issued by the South Manchuria Railway Company and the Chosen Government Railways.

I have also the honour to agree to your proposal that the 2nd June 1913—the 1st being a Sunday—be fixed as the date from which the Agreement shall take effect.

I further beg to acknowledge the receipt of a copy of the Chinese translation of the Agreement which you have been good enough to send to me, understanding, of course, that the authentic version is the English which we have signed.

I have, etc.,

H. IJUIN,

*His Imperial Japanese Majesty's Envoy
Extraordinary and Minister Plenipotentiary.*

CIRCULAR No. 2060 (SECOND SERIES).

**Harbour Regulations: standard set of, for guidance of ports
when framing; procedure to be followed prior
to publication; I.G.'s instructions.**

INSPECTORATE GENERAL OF CUSTOMS,
PEKING, 3rd June 1913.

SIR,

1.—In Circular No. 1750 you were instructed, when drawing up or revising Harbour Regulations, to forward the draft Regulations to the Coast Inspector for scrutiny before submitting them to the Superintendent and Consular Body for approval.

This procedure was laid down with the object of introducing greater uniformity in the Harbour Regulations enacted at the various ports, and, as a further step in the same direction, I now enclose, for your information and guidance, copy of a memorandum drawn up at my request by the Coast Inspector, containing a standard set of Regulations which, when you have occasion to draw up Harbour Regulations, you can adopt, with such changes as local conditions require.

2.—In future, Harbour Regulations, after preliminary scrutiny by the Coast Inspector as provided for in Circular No. 1750, are to be submitted to the Inspector General for approval, under flying seal, through the Coast Inspector. Similarly, the Inspector General's approval and authority to submit them to Superintendent and Consular Body will be conveyed to the port concerned, under flying seal, through the Coast Inspector.

Finally, when Harbour Regulations have received the approval of the Superintendent and Consular Body, they are invariably to be sent to the Statistical Department to be printed, through the Coast Inspector, who will provide for the insertion of necessary plans.

I am, etc.,

F. A. AGLEN,
Inspector General.

ENCLOSURE.

MEMORANDUM ON A UNIFORM SCHEME FOR
HARBOUR REGULATIONS.

What is desirable is that identical needs be provided for by identical rules, that similar needs be provided for by rules of similar form, and that the general arrangement of the regulations be as uniform as circumstances conveniently permit.

Enclosed herewith is a set of Harbour Regulations, which includes those referring to the most usual needs. Some ports may not require all of these. Other ports may require additional ones, or a modification of those given, to meet special needs.

While Circular No. 1955 lays down the principle that Harbour Regulations are enacted for the control of all vessels whose business brings them within port limits, no matter whether they are foreign or native, it is in practice found convenient to deal with purely native shipping matters by means of special notifications; and in the Harbour Regulations proper to regulate native craft only in so far as is necessary for their due control when working in connexion with foreign-type vessels.

The ordinary anchorage should always be fully defined. In a river port, however, it will usually suffice to say that it is from such and such a place to such and such a place, *i.e.*, without giving the bearings of the limiting lines.

In the case of the anchorages for mineral oil, for explosives, and for quarantine purposes, it will sometimes be more convenient to give only the nearer limit. It follows therefore that in such a case there will be no definite limit to the extent of the harbour; this does not matter.

It has been ruled that the limits of the port are not to be defined, owing to the special use of the term "port" in China in connexion with the term "treaty port." There are cases, however, when it may be desirable to specify the control of the harbour authorities over an extent greater than that included by the several anchorages. In these cases the necessary provision should be worded as follows:—

The control of the harbour authorities of the port of ———
extends from ——— to ———.

HARBOUR REGULATIONS FOR THE PORT OF —.

The following Regulations are published for the information and guidance of all concerned. Those of them that concern foreign interests have been agreed to and sanctioned by the Treaty Power Consuls at the port.

By Order of the Inspector General of Customs,

.....
Commissioner.

CUSTOM HOUSE,

....., 191.....

1.—The term “vessel” in these Regulations refers to vessels of foreign type. Regulations concerning native-type craft are embodied herein only in so far as is necessary for their due control when working in connexion with foreign-type vessels. They are regulated in other respects by special notifications.

Anchorage.

2.—The anchorages for foreign-type vessels are—

- (a.) For vessels other than those provided for in (b.), (c.), and (d.): from — to —.
- (b.) For mineral oil: from — to —.
- (c.) For explosives: from — to —.
- (d.) For quarantine purposes: from — to —.

3.—Vessels entering the harbour will be boarded by a Berthing Officer, who will direct them to proper berths.

4.—River, coast, and mail steamers which have determined berths are allowed to proceed to them without stopping, except as provided in Clauses . . . of these Regulations.

5.—Vessels shall moor in accordance with instructions from the Harbour Master, and shall not shift their berths without a special permit, except when outward bound after having obtained their clearance papers.

6.—Applications for berths or for permission to shift must be made at the Harbour Master's office by the shipmaster, the first

officer, or the pilot in charge, when the necessary instructions concerning the berth will be given. If a vessel be instructed by the Harbour Master to shift her berth, it shall do so.

Munitions.

7.—Vessels having on board as cargo any high explosives or the specially prepared constituents of such, any loaded shells or more than 100 pounds of gunpowder, any quantity of small-arm cartridges in excess of 50,000 rounds, or any other fixed ammunition of which the aggregate quantity of powder charges exceeds 100 pounds, shall anchor as provided for in Article 2, (c.), and fly a *red* flag at the fore; and in regard to the discharge of same, they shall abide by the instructions received from the Customs.

Vessels having to receive on board any such explosives shall observe similar precautions.

This rule shall not apply to small-arm cartridges when carried in a properly constructed magazine, so fitted as to admit of its being flooded by a sea-cock operated from the upper deck, in which case the number of cartridges allowed to be carried is not limited.

8.—Men-of-war and other Government vessels may, on application to the Harbour Master, be permitted to take on board or tranship explosives within anchorage (a.), provided that such explosives are handled only by their own crews under the command of an officer.

9.—Any transfer by boat of explosives, arms, or ammunition must be covered by a special permit, which will be issued at the Harbour Master's office upon the owner's written application, giving the registered numbers of the boats to be thus employed.

10.—No lighters or other boats, except those which have permanent decks or coverings, shall be allowed to receive any of the articles mentioned in Clause . . . of these Regulations, and all such articles when received on board any such lighter or boat must be stowed under deck or within the permanently closed-in space.

11.—Every craft, of whatever description, conveying explosives through any part of the waters of the port shall exhibit a *red* flag, not less than 6 feet by 4 feet, at the foremast head or where it can best be seen; and in the case of all boats or lighters thus employed which are not fitted with masts, the red flag must be exhibited at a height of not less than 12 feet above the highest part of the deck or house.

12.—The storage of explosives of any sort shall not be allowed anywhere on or near either shore of the — or its affluents in the neighbourhood of —, except with the permission of the Customs authorities.

13.—No fires, for cooking or any other purpose, and no smoking shall be allowed on board any lighter or other boat when going alongside a vessel which has explosives on board, nor while there are any explosives on board such lighter or boat.

The practice of the several ports in regard to kerosene necessarily varies considerably, according to the circumstances existing and according to established custom. For the most detailed precautionary provisions, *see* Shanghai Harbour Regulations, 1913. The following represent provisions of a more usual kind:—

Mineral Oil.

14.—Vessels arriving with mineral oil, or cargo of a highly inflammable nature, shall anchor as provided in Article 2, (*b.*), and must remain there till all such cargo has been discharged. Vessels loading such cargo shall do so only where it is permitted to be discharged, and from there proceed to sea. Vessels in anchorage (*a.*) are permitted to handle a quantity of kerosene not exceeding 50 cases.

Bulk oil steamers are required to take all such precautions as are customary in their trade.

15.—No fires, for cooking or any other purpose, and no smoking shall be allowed on board any lighter or other boat when going alongside a vessel which has naphtha, benzine, and other highly inflammable cargo on board, nor while there are such naphtha, benzine, and other highly inflammable cargo on board such lighter or boat.

Reference in the Harbour Regulations to precautions against infectious diseases must necessarily depend on the nature of the Quarantine Regulations, if any, in force. The following, however, will serve in the majority of cases:—

Infectious Diseases.

16.—Vessels having any infectious disease on board, or any disease suspected to be infectious, or the body of a person who died, or is suspected of having died, of an infectious disease, shall, as provided for in the Quarantine Regulations, on approaching the port hoist the quarantine flag, anchor as provided for in Article 2, (*d.*), and keep the flag flying until pratique has been granted.

No person shall be permitted to leave or board such a vessel without a permit from the Harbour Master or Port Health Officer.

Vessels arriving from any port declared to be infected shall conform to the Quarantine Regulations.

Conservancy.

17.—No wharves, jetties, or bunding shall be built, pontoons, hulks, or buoys moored, and no reclaiming or other riparian work commenced, without the permission of the Harbour Master.

18.—All buoys shall be subject to the control of the Harbour Master; and when they are so placed as to obstruct the passage of vessels or are not moored in such a way as to economise berthing space, the Harbour Master shall be at liberty to order them to be shifted. In case of refusal or neglect on the part of the owners of a buoy to shift its position as directed by the Harbour Master, the latter may cause it to be removed at the cost of the owners.

19.—Ballast, ashes, garbage, refuse, spoil obtained by dredging or otherwise, etc., must not be thrown into the river. Vessels wishing to discharge ashes or other refuse should hoist the International Code Flag Y at the fore truck, when a licensed ash-boat will attend and take delivery at a fixed tariff.

20.—In the case of wrecks within the Harbour, or in the approaches to the port, which form a danger to navigation, if no active steps have been taken within a reasonable time, as specified by the Harbour Master, the wreck will be removed or destroyed by the Marine Department of the Customs.

Miscellaneous.

21.—Vessels are required to conform to the "International Regulations for Preventing Collisions at Sea."

22.—Vessels are forbidden to go at such a speed through the harbour as renders their wash dangerous to properly laden cargo-boats and sampans.

23.—The blowing of steam whistles or sirens, except for the purpose of signalling in accordance with the "Regulations for Preventing Collisions at Sea" or for the purpose of warning vessels of danger, is strictly forbidden.

24.—All vessels shall keep on board a sufficient number of hands to clear and pay out chain. The hawse must always be kept clear.

25.—No vessels, except men-of-war, may use swinging booms. Swinging booms should be rigged in from sunset to sunrise.

26.—Vessels are not to have lines out to buoys, wharves, or other vessels any longer than is necessary when shifting their berths.

27.—No merchant vessel shall fire cannon or small-arms within the harbour. Men-of-war are requested not to fire salutes within this harbour.

The latter sentence should be added only when the firing of salutes is unquestionably objectionable.

28.—Lighters and other boats are not to be made fast to vessels in such a manner or in such numbers as to interfere with the free passage of other boats or vessels through the harbour.

29.—Sampan with runners are prohibited from boarding vessels until the Customs officer is on board. Captains should assist to their utmost the harbour authorities in having this rule observed.

30.—In case of fire occurring on board a vessel in port, the fire bell must be rung immediately by that vessel, and by those above and below her, and the signal *NH*, International Code ("Fire: want immediate assistance"), hoisted by the burning vessel, if possible, and by those above and below her during the day, or the light lowered and hoisted continually during the night. Notice should immediately be given to —.

31.—Vessels infringing these Regulations will have their entrance, working, and clearance stopped by the Customs until such infringement is remedied, or will be dealt with by their national authority.

NOTICE.

1.—Vessels allotted special numbers under the Port Signal Code are requested to fly the same when entering the harbour.

2.—Masters of vessels are requested to furnish the Harbour Master's office with any information they may possess relative to new dangers, such as rocks, shoals, etc., they may have discovered.

3.—If the master of a vessel has any complaint to prefer against a pilot, he should forward the same in writing to the Harbour Master.

4.—At the Harbour Master's office may be seen all local Harbour Notifications and Notices to Mariners concerning the China coast.

5.—The following are the call flags (Port Signals, China) which are used at —:—

CIRCULAR No. 2064 (SECOND SERIES).

Harbour Department and conservancy questions: I.G.'s views regarding scope of Customs jurisdiction in connexion with wharf construction and harbour conservancy matters.

INSPECTORATE GENERAL OF CUSTOMS,
PEKING, 12th June 1913.

SIR,

I append hereto, for your information and guidance, copies of correspondence which has passed between myself and the Canton Commissioner on the subject of Customs jurisdiction in the matter of harbour conservancy, with more particular reference to the question of wharf construction.

I am, etc.,

F. A. AGLEN,
Inspector General.

ENCLOSURE No. 1.

The Canton Commissioner to the Inspector General.

No. 8981.

I.G.

CUSTOM HOUSE,

CANTON, 10th May 1913.

SIR,

1.—Having reference to my despatches Nos. 8621, 8696, and 8930, dated 29th May 1912, 17th July 1912, and 20th March 1913 respectively:

Acquainting you with the attitude taken up by the local Commissioner of Communications (交通處處長) as regards local control over shipping, and pointing out cases where his action encroached upon recognised Customs procedure and was at variance with treaty rules, etc.:

I have now the honour to bring to your notice the question of the erection of wharves within the harbour, with a view to arriving at a

clear understanding in regard to the extent to which the Harbour Department is to exercise its authority in connexion therewith. It may be well for me briefly to outline the general practice obtaining here in so far as the erection of wharves is concerned.

2.—The Harbour Master (since the establishment of the Harbour Department, in 1905) has hitherto had, as far as possible, general control over the erection of wharves and jetties in the harbour, and his permission has been invariably applied for before actual work on any new structure commenced. If the design and dimensions of the proposed wharf are approved of by him, what may be styled negative sanction to proceed with the work is accorded; that is to say, the Harbour Master states “that there is no objection on the part of this office, from a conservancy point of view, to the erection of such a structure, provided,” etc., and adds “that it is to be distinctly understood that the granting of this permission is simply a *non-objection* on the part of the Customs from a conservancy standpoint, and that it is not to be held as establishing or giving any new land or frontage rights.” I should mention, however, that an important proviso is also included to the effect that the wharf in question is not to project into the stream beyond the specified line—now 50 feet from the Bund.

3.—The Hongkong, Canton, and Macao Steamboat Company many years ago leased a wharf, or at any rate obtained permission to construct a wharf of given dimensions, from the local authorities, which was destroyed by fire last November (*vide* Canton No. 8803 to I.G.). The question of reconstruction on the original terms has occupied the attention of the British and Chinese authorities for many months past. The latter were ultimately compelled to confirm former rights and privileges, and after tedious discussion and mutual recrimination the re-erection of the new wharf of similar dimensions to the old, namely, 141 feet long and 40 feet wide (that is, projecting into the river 40 feet), was authorised by the Commissioner for the Interior. The Harbour Master is of opinion, and I fully concur, that for a variety of reasons wharves generally, but more especially this particular one, should be allowed to project 50 feet from the Bund wall into the river. The Steamboat Company were also anxious to arrange thus, but the Commissioner for the Interior (内務司) declined to acquiesce, on the grounds that their original lease only provided for a wharf 40 feet wide; and as the company objected to any increase in the rent—which is a mere nominal sum of \$500 per annum, while rentals of \$10,000 per annum are now being charged for wharves of similar dimensions,—he would not permit the size of the wharf to be increased. Here is a case, then,

where the local authorities and the Customs Harbour Department disagree, and the question is, which is the competent authority to decide? Having regard to the unusual conditions involved, I accepted the Chinese view, and the Harbour Master gave permission for only a 40-foot wharf.

4.—The above example may be said to be exceptional, inasmuch as the wharf in question is leased from the Chinese authorities on special conditions, upon the adhesion to which depend the continuance of the privileges and the validity of the lease. It is, of course, very short-sighted policy for the local authorities to allow this to interfere with general interests, although it may be conceded that they have the right to do so in the present case. When not otherwise bound down by specific restrictions, as regards dimensions, it would appear desirable that the Harbour Master should determine the question of the extent to which wharves should extend into the river, in contradistinction to merely prohibiting projection beyond certain limits. In other words, where necessary the Harbour Master should be empowered to determine how far a certain wharf should, in fact, extend into the river. Article V of the Mackay Treaty would appear to confer such authority on the Customs authorities, as it distinctly stipulates that: “. . . The Chinese Government also agree to improve the accommodation for shipping in the harbour of Canton and to take the necessary steps to maintain that improvement, such work to be carried out by the Imperial Maritime Customs. . . .” While Clause 22 in the Canton Harbour Regulations states that: “No hulks or pontoons may be moored, piles driven, jetties built, or encroachment made on the waters of the harbour before plans have been submitted to the Customs, and until after due consideration and sanction of the competent authorities, Chinese and Consular, concerned.”

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I have, etc.,

F. W. MAZE,
Commissioner.

ENCLOSURE No. 2.

The Inspector General to the Canton Commissioner.

No. 3541.	Commrs.	INSPECTORATE GENERAL OF CUSTOMS,
Canton.	No. 47,455.	PEKING, 31st May 1913.

SIR,

1.—I am directed by the Inspector General to acknowledge receipt of your despatch No. 8981:

Applying for instructions with regard to the jurisdiction of the Customs in Harbour Department matters and conservancy questions, having regard specially to the subject of the dimensions of wharves:

and, in reply, to say that Harbour Masters have by usage gradually acquired and exercised in the general interest considerable authority in regard to harbour conservancy; but, ultimately, their powers in this respect, when questioned, will be found to be limited to what is laid down in Harbour Regulations. The treaties are silent on the subject, and the Mackay Treaty article to which you refer, having reference to a special undertaking, cannot be quoted as general rule.

2.—It will therefore be best for Harbour Masters to confine their action, where wharf construction is concerned, to exercising a veto when such is necessary in general interests, leaving to the Chinese territorial authority in whom resides the responsibility for allowing encroachment on, or curtailment of, harbour space the final decision.

Your action in the particular case reported therefore has the Inspector General's approval.

3.—In the matter of action afloat, buoying, etc., and control of shipping generally in the harbour, the Harbour Master is the properly constituted authority, and his authority in these matters *vis-à-vis* local Government departments is to be energetically upheld.

I am, etc.,

C. A. V. BOWRA,

Chief Secretary.

ENCLOSURE No. 3.

The Canton Commissioner to the Inspector General.

No. 8994.

I.G.

CUSTOM HOUSE,

CANTON, 24th May 1913.

SIR,

1.—Having reference to my despatch No. 8981 (and previous despatches on the same subject):

Concerning harbour, shipping, and conservancy, etc., and the attempts made from time to time by various departments of the local Government here to usurp Customs control in connexion therewith, etc.:

I have now the honour to enclose a copy of correspondence between the Police Department and myself respecting a notification recently issued (and published in the local Press) by the Water Police to the effect that work on new wharves, etc., must not begin before authority is obtained from the police, etc. You will observe that I took occasion to address the Chief of the Police on the question, pointing out that Article No. 22 of the Canton Harbour Regulations ("No hulks or pontoons may be moored, piles driven, jetties built, or encroachment made on the waters of the harbour before plans have been submitted to the Customs, and until after due consideration and sanction of the competent authorities, Chinese and Consular, concerned") places the supervision of wharves, etc., in the hands of the Harbour Master, and that I therefore found it difficult to understand the meaning of the notification, which I suggested should be cancelled. The reply received intimating that instructions have been issued to cancel this particular notification is satisfactory as far as it goes, but I am of opinion that the range of the Harbour Department's responsibilities in these matters should be considered and definitely fixed in Peking.

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I have, etc.,

F. W. MAZE,

Commissioner.

SUB-ENCLOSURE.

水上警區佈告

本區暨各分區轄段河面並岸旁各處嗣後無論何項人等在各該處打樁及建築碼頭均須先赴本區報明聽候勘驗有無阻礙航路許可後方得興工卽或呈明內務司批准興築有案亦須來區呈報不得私自動工致干查究除飭警察隨時稽查外特此佈告

稅務司函致警察廳鈔字第五百九十七號

敬啟者本稅務司昨閱報紙見有水上警察區佈告云本區暨各分區轄段河面並岸旁各處嗣後無論何項人等在各處打樁及建築碼頭均須先赴本區報明聽候勘驗有無阻礙航路許可後方得興工等語查廣州口章程第二十二條內開凡商人欲於口內停泊躉船或西瓜扁艇或打樁入水或蓋搭篷廠或侵佔河道須先繪圖貼說呈報來關再由該管官員或華官或領事官察核批准方能舉行等語本稅務司不解水上警區奉有何項命令頒發此項通告此事似屬錯誤易滋誤會查廣州口章程前經中國上級官廳與北京各國公使會同訂定核准施行本省不能更改倘各報所登水面警區佈告係屬不實不盡擬請由

貴廳長飭令各該報更正可也除將廣州口章程華洋文各一分附送外專此

順頌

日祉

五月二十一日

警察廳函復稅務司地字第四百十二號

逕覆者頃接

貴稅務司第五百九十七號函並華洋文章程各一紙均悉查十二區卽原日水上警區此項布告係爲恐礙航路起見尙無不合惟干涉建築碼頭非本廳行政範圍實屬錯誤應行區取銷此項布告但河面如有阻礙航路及不經該主管官廳許可輒行動工興築者則該區有權干涉除行十二區查照辦理外用特函覆

貴稅務司查照辦理此覆

廳長陳景華 伍月貳拾叁日

ENCLOSURE No. 4.

The Inspector General to the Canton Commissioner.

No. 3547.	Commrs.	INSPECTORATE GENERAL OF CUSTOMS,
Canton.	No. 47,577.	PEKING, 6th June 1913.

SIR,

I am in receipt of your despatch No. 8994 (having reference to Canton despatches Nos. 8621, 8696, 8930, and 8981):

Forwarding copy of your correspondence with the Police Department with reference to the question of jurisdiction over wharves, etc., in connexion with conservancy interests:

and, in reply, to say that the Water Police notification was unnecessary and liable to cause misunderstanding and conflict of authority, seeing that a Harbour Regulation already dealt with the same matter. Your action in calling attention to it and requesting its withdrawal is therefore approved.

Formerly, the Customs had to assume responsibility for harbour conservancy among other things, because no other Chinese authority either understood the importance of the question or was competent to handle it. Now, however, conditions are changing, and we must be prepared to find our authority challenged and to relinquish it, if, in the public interest and without danger to China's foreign relations, it can be better placed in other hands.

In the matter of wharf construction half in and half out of the water, while the Harbour Master is responsible for the effect the construction will have on the fairway, on water, the police are equally responsible for the effect it will have on the neighbouring land communications. Wharf construction would therefore seem to be essentially a matter in which authority is divided and one which public interest can best be served by cordial co-operation between the two departments.

Moreover, if the Harbour Master should find it necessary at any time to veto wharf construction, as laid down in my despatch No. 3541/47,455, it is the police to whom he would turn to enforce his prohibition.

While in harbour conservancy matters you are to be guided generally by my despatch No. 3541, you should endeavour to take advantage of, and to turn into safe and useful channels, such activities as contain the germ of good in them, although manifested in an undesirable and irregular manner.

I am, etc.,

F. A. AGLEN,

Inspector General.

CIRCULAR No. 2083 (SECOND SERIES).

**Superintendents allowances not to be issued to men who
desert their posts: instructions.**

INSPECTORATE GENERAL OF CUSTOMS,
PEKING, 1st August 1913.

SIR,

With reference to Circular No. 2027:*

Superintendents of Customs appointed by Central Government: allowances for, to be paid from revenue moneys from 1st April 1913; instructions:

I have now to circulate, for your information and guidance, copy of Shui-wu Ch'u despatch No. 1134, from which you will see that, owing to the revolutionary movement in South and Central China, the Shui-wu Ch'u has thought it advisable to lay down a definite principle for the guidance of Commissioners in the disturbed area. This principle is that the allowance is no longer to be issued to Superintendents who desert their posts and whose staff is dispersed, but that it is to continue to be issued to all who do not leave and whose staff goes on with its work as usual.

The instructions of § 5 of Circular No. 2027, to the effect that allowances are only to be issued to Superintendents appointed under Presidential Mandate by the Central Government, of course, continue in force.

The ports of Wuhu, Foochow, Chinkiang, Canton, Swatow, Nanking, Amoy, Ningpo, Kiungchow, as well as any other port whose Superintendent—if appointed by the President—is forced to flee, are to report to me on what date the Superintendent's allowance ceased to be issued, or whether the Superintendent has held to his post.

I am, etc.,

CECIL A. V. BOWRA,
Officiating Inspector General, ad interim.

* *Antea*, vol. iii, p. 103.

ENCLOSURE.

稅務處令

准財政部函稱各海關監督公署經費前經商定由稅務司按月於洋稅項下發給現在南方有宣告獨立省分除照常辦事者應准照常發給外如蕪湖閩海鎮江粵海潮海金陵等關即應停發經費希轉飭總稅務司飭知各該關稅務司遵辦又准函稱茲查廈門浙海瓊海關亦應在停給經費之列即請飭總稅務司轉飭該關稅司將公署經費一律停發各等因查以上各關凡該監督確已離任員司散盡者其公署經費應由總稅務司轉飭該關稅務司停止撥給如監督未行員司照常辦事仍應照發經費相應令行總稅務司查明分別飭知該關稅務司遵照辦理並將停撥經費日期申報本處備案可也此令

拾日

稅字第壹千壹百叁拾肆號

CIRCULAR No. 2093 (SECOND SERIES).

Opium: smuggling of: various methods of, resorted to; further information *re*, notified.

INSPECTORATE GENERAL OF CUSTOMS,
PEKING, 5th September 1913.

SIR,

In continuation of Circular No. 2068:

Opium, smuggling of: various methods of, resorted to;
notified:

I now append, for your information, further notes in this connexion supplied to me by another Commissioner.

I am, etc.,

CECIL A. V. BOWRA,
Officiating Inspector General, ad interim.

ENCLOSURE.

Opium has been found concealed in passenger-car fuel boxes covered with firewood and coal; in stoves and stove-pipes; between false sides of cars made of cardboard, with grooves resembling the planks; in boiler-rooms, between false sides of water-tanks; in ventilators; in emigrant-car sleeping boards made of two battens about 10 feet long, covered on both sides with very thin boards forming a hollow space about 10 feet by 8 inches by 2 inches; in hard-wood boxes with double bottoms and hollow sides; in carpenters tool chests and Chinese blacksmiths wooden box-bellows with double bottoms; in picture and mirror frames, between the picture or glass and wooden back; in hollowed firewood; in tin teapots and galvanized iron buckets and lamps with double bottoms and sides; in Chinese cotton socks, garters, belts, cotton wadded blankets and clothing, stitched up between the cotton wadding and Japanese tissue paper; between two skins used as bedding; in sham

military water-bottles; in oranges, pumeloos, and loaves of foreign bread; in Chinese cakes; in rice rolls cooked in bamboo leaves; in eggs; in soap bars, the inside of which has been scooped out. Opium has also been found done up to resemble candles, with stumps of foreign candles attached to each end and packed as candles are packed; as kernels in ground-nuts; in gramophones and Chinese musical instruments; in dressmakers dummies; in tins concealed in salt-fish and soda barrels; mixed with kaoliang husk; carried by women—being sewn up in their underclothing or worn by them as false calves of the legs. Through the agency of a female searcher opium has been found on the persons of foreign women concealed in such a manner as to suggest that the individuals are *enceinte*.

CIRCULAR No. 2108 (SECOND SERIES).

Customs revenue devoted to service of loans and Indemnity: copies of Articles of Agreement and correspondence *re*, circulating.

INSPECTORATE GENERAL OF CUSTOMS,

PEKING, 15th October 1913.

SIR,

With reference to my Circular No. 1865:*

Customs revenue: I.G.'s Revenue and Tonnage Dues
Accounts: collection at all ports, seceded or non-
seceded, to be paid into, and to be under I.G.'s control:

as well as to other Circulars on the same subject, I now circulate, for your information and for purposes of record, copies of further correspondence that has passed in this connexion.

The first despatch from the Shui-wu Ch'u (No. 2473) encloses copies, in English and Chinese, of the eight Articles, originally arranged between the Wai-wu Pu and the Diplomatic Body, on the subject of the scheme for devoting the Customs revenue to the service of the foreign loans and the Indemnity. The second despatch (No. 1267) gives the changes in the original eight Articles proposed this year by the Diplomatic Body in order to facilitate Indemnity payments.

* *Antea*, vol. iii, p. 49.

These changes having been accepted by the Chinese Government, the Articles, now seven in number, read as follows:—

理	滬	先	先	債	員	董	之	與	清	關	關	一
滬	後	付	付	內	會	組	各	關	之	稅	於	此
關	次	還	還	何	應	織	國	於	各	作	庚	項
稅	序	并	并	款	決	成	銀	和	洋	抵	子	委
司	單	編	編	應	定	立	行	約	債	尙	以	員
遵	以	列	列	行	各	該	之	賠	銀	未		會
照	便	一	一	儘	洋	委	總	款	行	付		須
辦												由

1.—The International Commission of Bankers shall consist of the Managers of the Banks interested in the service of all outstanding loans secured by the Customs revenue contracted previous to 1900 ^{and} _{or} the Indemnity payments. The said Commission shall decide all questions of priority of claim between foreign loan payments and shall draw up a schedule of the various payments to be made in this connexion for the guidance of the Commissioner of Customs at Shanghai.

帳	關	稅	是	本	百	本	存	處	上	勝	行	二
內	於	所	日	息	年	年	之	待	海	三	即	關
	賠	餘	起	之	前	應	款	該	收	家	匯	係
	款	之	將	用	所	付	足	三	存	應	豐	尤
	各	款	本	時	借	一	敷	銀	關	作	德	重
	銀	攤	年	即	各	千	付	行	稅	爲	華	之
	行	撥	洋	自	款	九	還	所	之	在	道	各
												銀

2.—The Banks chiefly interested, viz., the Hongkong and Shanghai Banking Corporation, the Deutsch-Asiatische Bank, and the Russo-Asiatic Bank, shall be custodians of the Customs funds at Shanghai; but as soon as the service for the current year of all loans contracted before 1900 is provided for by funds in these Banks, then the surplus shall be divided *pro rata* till the end of 1913 amongst the Banks having charge of the Indemnity service.

之	洋	復	中	委	與	項	有	將	司	三
時	債	能	國	員	所	開	淨	海	承	應
爲	賠	償	政	會	派	單	存	關	認	請
止	款	還	府	屆	之	交	稅	所	允	總
										稅

3.—The Inspector General of Customs shall account to the Commission appointed for the net Customs revenue until such time as the Chinese Government are in a position to resume payments of loans and Indemnity.

之 辦 法	海 一 次	匯 交 上	每 星 期	存 稅 項	所 將 淨	收 稅 處	備 由 各	稅 司 籌	四 應 請 總
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4.—The Inspector General of Customs shall arrange for weekly remittance of net revenue from all collecting points to Shanghai.

付 還	後 准 其 屆 期 提 撥	委 員 會 決 定 之 先	款 內 按 照 第 一 條	稅 司 應 由 此 項 存	及 賠 款 之 用 上 海	作 歸 還 該 項 洋 債	德 華 道 勝 三 行 以	期 均 分 收 存 匯 豐	竭 力 籌 維 於 每 星	海 所 積 淨 存 稅 項	五 應 請 總 稅 司 將 上
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5.—The Inspector General of Customs shall arrange that the net revenue accumulated at Shanghai shall be divided weekly in as near as possible equal amounts between the Hongkong and Shanghai Banking Corporation, the Deutsch-Asiatische Bank, and the Russo-Asiatic Bank for account of the loans concerned and Indemnity payments, and the Commissioner of Customs shall be authorised to draw upon these accounts for loan payments as they fall due according to the priority of such loans as determined by the Commission of Bankers in terms of Clause No. 1.

大 臣	京 各 國	報 告 駐	國 領 事	駐 滬 各	之 處 由	何 撥 付	關 稅 如	將 所 收	三 個 月	會 應 每	六 該 委 員
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6.—The Commission shall furnish to the Diplomatic Body at Peking, through the Consuls at Shanghai, a quarterly report showing the appropriation of the revenue received.

損 益	斟 酌	得 以	之 時	更 改	應 行	如 有	辦 法	七 此 項
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7.—The above arrangement is subject to future revision should circumstances require it.

I am, etc.,

F. A. AGLEN,

Inspector General.

ENCLOSURE No. 1.

稅務處劄行總稅務司

爲劄行事准外務部咨稱案查各海關稅項由總稅務司統轄以備撥付各國洋債賠款一事前由貴處飭總稅務司擬具辦法經度支部核准照辦咨行前來當經本部照商領銜英朱使去後嗣准英使復稱各國駐京大臣已請駐滬各國銀行總董會議酌擬辦法六條各國駐京大臣又添二條將條件鈔送查閱請爲認可等因復經本部交總稅務司查核將各條再加訂定轉復英使茲准該使開送節略列明辦法八條并稱此項辦法各國駐京大臣已向各國駐滬銀行總董頒發訓條云除咨度支部查照外應照錄英使節略咨行查照速即劄行總稅務司迅飭駐滬稅務司遵照辦理等因前來相應鈔錄原件劄行總稅務司查照辦理可也須至劄者

附鈔件 宣統叁年拾貳月拾陸日

處字第貳千肆百柒拾叁號

照錄英朱使節略

各海關稅項撥還各洋債賠款酌擬辦法一事業於本月初三日接准貴部節略在案茲本領銜大臣合行告知本日各國駐京大臣已分別向關於庚子以前以關稅作抵尙未付清之各洋債銀行與關於和約賠款之各國駐滬銀行之總董頒發訓條如下

一此項委員會須由關於庚子以前以關稅作抵尚未付清之各洋債銀行與關於和約賠款之各國銀行之總董組織成立該委員會應決定各洋債內何款應行儘先付還并編列一先後次序單以便滬關稅司遵照辦理

二關係尤重之各銀行即匯豐德華道勝三家應作爲上海存管海關稅項之處

三應請總稅司承認允將海關所有淨存稅項開單交與所派之委員會屆中國政府復能償還洋債賠款之時爲止

四應請總稅司籌備由各收稅處所將淨存稅項每星期匯交上海一次之辦法

五應請總稅司將上海所積淨存稅項竭力籌維於每星期均分收存匯豐德華道勝三行以作歸還該項洋債及賠款之用上海稅司應由此項存款內按照第一條委員會決定之先後准其屆期提撥付還

六倘至一千九百一十二年年底情形尚未平復屆時必須算清下餘若干可作付還賠款之用此項清單須交外交團酌核如何分撥

七該委員會應每三箇月將所收關稅如何撥付之處由駐滬各國領事報告駐京各國大臣

八此項辦法如有應行更改之時得以斟酌損益今各國大臣囑本領銜大臣請爲按照以上辦法轉知總稅務司飭行駐滬稅務司遵照辦理可也拾貳月拾貳日

SUB-ENCLOSURE.

The Dean of the Diplomatic Body to the Wai-wu Pu.

BRITISH LEGATION,
PEKING, *January 30th*, 1912.

With reference to the Memorandum from the Wai-wu Pu dated the 21st instant on the subject of the scheme for devoting the Customs revenue to the service of the foreign loans and the Indemnity, the Dean of the Diplomatic Body has the honour to inform the Wai-wu Pu that the following instructions are being issued to-day by the Foreign Representatives to the Managers of their respective Banks at Shanghai which are interested in the service of all outstanding loans secured by the Customs revenue contracted previous to 1900 ^{and}_{or} the Indemnity payments:—

1. The International Commission of Bankers shall consist of the Managers of the Banks interested in the service of all outstanding loans secured by the Customs revenue contracted previous to 1900 ^{and}_{or} the Indemnity payments. The said Commission shall decide all questions of priority of claim between foreign loan payments and shall draw up a schedule of the various payments to be made in this connexion for the guidance of the Commissioner of Customs at Shanghai.
2. The Banks chiefly interested, viz., the Hongkong and Shanghai Banking Corporation, the Deutsch-Asiatische Bank, and the Russo-Asiatic Bank, shall be custodians of the Customs funds at Shanghai.
3. The Inspector General of Customs shall account to the Commission appointed for the net Customs revenue until such time as the Chinese Government are in a position to resume payments of loans and Indemnity.
4. The Inspector General of Customs shall arrange for weekly remittance of net revenue from all collecting points to Shanghai.

5. The Inspector General of Customs shall arrange that the net revenue accumulated at Shanghai shall be divided weekly in as near as possible equal amounts between the Hongkong and Shanghai Banking Corporation, the Deutsch-Asiatische Bank, and the Russo-Asiatic Bank for account of the loans concerned and Indemnity payments, and the Commissioner of Customs shall be authorised to draw upon these accounts for loan payments as they fall due according to the priority of such loans as determined by the Commission of Bankers in terms of Clause No. 1.
6. If normal conditions are not restored by the end of 1912, then at that time an account shall be taken of the surplus available for the Indemnity, and such account shall be sent to the Diplomatic Body for their decision as to its disposal.
7. The Commission shall furnish to the Diplomatic Body at Peking, through the Consuls at Shanghai, a quarterly report showing the appropriation of the revenue received.
8. The above arrangement is subject to future revision should circumstances require it.

The Dean is requested by the Diplomatic Body to request that instructions in the same sense may be issued to the Inspector General of Customs for transmission to the Commissioner of Customs at Shanghai.

J. N. JORDAN.

ENCLOSURE No. 2.

稅務處令

八月二十七日准外交部函稱准領銜日白使節略稱各海關稅項歸還各洋債賠款酌定辦法八條一事現駐京各國大臣復行會商議定將去年一月三十日各國大臣所飭令上海各該銀行之第六號訓條取消而將第二條改爲所最有關係之匯豐華俄德華三銀行應收存滙關之款俟該銀行等所存之款足敷所有庚子以前之借款本年利息其餘各款即在管理庚子賠款之各銀行均勻分收云云各國大臣囑爲轉請貴部聲明同意並請轉飭稅司遵辦等因查關稅備撥洋款經前外務部查照總稅務司所具意見與駐京各使商定辦法八條於前清宣統三年十二月十五日咨請貴處查照飭遵在案現駐京各使擬將前項辦法第二條酌行改訂其意似欲令管理賠款之各銀行均獲分存稅項之利益若在我果無窒碍自可允其照改惟該使節略所譯漢文之語核與英文稍有出入如三銀行應收存滙關之款應改爲三銀行作爲在上海收存關稅之處又各銀行之均勻分收下似應增入惟此項均勻分收辦法以一九一三年底爲止二語至該辦法第六條如亦照允取消應否斟酌我之損益另擬一條補入抄錄漢英文節略函達查照即希轉飭總稅務司從速核議申復等因相應照錄原送節略漢英文各一分令行總稅務司迅將各項所稱各節查核從速申復本處以憑轉復可也此令附件 中華民國貳年捌月貳拾玖日

SUB-ENCLOSURE.

The Dean of the Diplomatic Body to the Wai-chiao Pu.

LEGACION DE ESPAÑA.

PEKING, 1913.

The Dean has the honour to refer the Wai-chiao Pu to his Memorandum of January 30, 1912, on the subject of the arrangement in 8 Articles governing the allocation of the Customs revenues to the service of the Foreign Debt.

As a result of a further exchange of views the Diplomatic Body have now decided to give effect to a proposal of the International Bankers Commission whereby Article 6 of the instructions sent on January 30, 1912, by the Foreign Representatives to the Managers of their respective Banks at Shanghai should be cancelled and Article 2 should be amended to read as follows:—

“The Banks chiefly interested, viz., the Hongkong and Shanghai Banking Corporation, the Deutsch-Asiatische Bank, and the Russo-Asiatic Bank, shall be custodians of the Customs funds at Shanghai; but as soon as the service for the current year of all loans contracted before 1900 is provided for by funds in these Banks, then the surplus shall be divided *pro rata* till the end of 1913 amongst the Banks having charge of the Indemnity service.”

The Dean is accordingly desired by his Honourable Colleagues to invite the Wai-chiao Pu's concurrence in the above amendment, which has been made to meet the requirements of present circumstances as contemplated in Article 8, and to request that instructions may be issued in this sense to the Inspector General of Customs for transmission to the Commissioner of Customs at Shanghai.

CIRCULAR No. 2109 (SECOND SERIES).

Import Tariff: revision of, proposed by Chinese Government: statistics needed for, called for; instructions.

INSPECTORATE GENERAL OF CUSTOMS,
PEKING, 17th October 1913.

SIR,

I circulate herewith, for your information and guidance, copy of Shui-wu Ch'u despatch No. 1427, from which you will see that the Chinese Government has addressed the Treaty Powers with a view to gaining their consent to an increase in the Import Tariff, so as to bring it up to an effective 5 per cent. rate on the present values of goods.

The Shui-wu Ch'u therefore desires us to compile tables showing the average values for each of the five years 1909, 1910, 1911, 1912, and 1913 of all foreign imports that are of sufficient consequence to be worth enumerating in a specific tariff and of sufficient homogeneity to render enumeration practicable. The particulars required are shown in the *pro formâ* table appended, which is translated from the enclosure to the Ch'u's despatch. The year to be chosen for purposes of comparison is 1912.

The values that are to be given for goods are the duty-paying values, not the market values. The market value is to be considered to be 12 per cent. higher than the duty-paying value, *i.e.*, the market value is to be multiplied by $\frac{100}{112}$ to obtain the duty-paying value. To subtract 12 per cent. from the market value in order to find the duty-paying value is wrong.

The following ports are to compile the statistics called for: Canton, Shanghai, Tientsin, Dairen, Antung, and Harbin. Any other ports that consider that they have foreign articles appearing in their import trade that are not largely imported into any of the above-mentioned ports are to forward special tables for such articles.

As the tables compiled are to be used for the making of a new tariff,* and as the values given in them are certain to be subjected

* Revision of the tariff was due in 1912, as in that year expired the 10-year period of validity called for by the Mackay Treaty of 1902. This could not be taken in hand until the Powers had accorded recognition to the newly-founded Republic and until the President (Yüan Shih-k'ai) had been duly inaugurated. Great Britain, the United States of America, and the Netherlands were in favour of tariff revision, but Japan, Italy, and Russia did not consider the time favourable. As the Chinese Government failed to overcome the objections of the three dissenting Powers, and could not persuade any of the remaining Powers to declare in favour of the proposal, tariff revision had to be dropped till a more convenient season.

to severe criticism by the representatives of foreign interests on the Tariff Revision Committee that will have eventually to be appointed if revision is really to take place, all possible care is to be taken to endeavour to secure accuracy. The preparation of the returns should be specially entrusted to your Deputy Commissioner or the Senior Assistant you may select for the work, and the values obtainable from such official records as exist should be carefully checked in consultation with Appraiser or Chief Examiner by reference to all procurable data in or outside the office.

I am, etc.,

F. A. AGLEN,

Inspector General.

ENCLOSURE No. 1.

稅務處令

准關稅改良委員會函稱據本會委員白育良提議修改洋貨進口稅則增至切實值百抽五一案並據副委員長陳鑾提出貨物調查表一件經本會委員長指定委員文溥白育良將本會討論之結果作為報告據稱原案以進口貨稅則修改增至切實值百抽五按照辛丑和約各國不能有所異議惟修改稅則應先從調查真確貨價為入手辦法本會委員僉以為辛丑各國和約第六款係將照估價抽稅各貨增至切實值百抽五曾於前清光緒二十八年七月間修訂加入此外漏未增加之貨仍可再為提議續行增改按件抽稅又中英通商條約第二十七款有十年期滿重修稅則之文查海關進口稅則自一千九百二年即前清光緒二十八年七月二十六日與各國訂定後扣至舊曆壬子年七月二十五日即民國元年九月二十六日已屆十年限滿之期上年八月間曾經部處提議修改請由國務會議議決同意由外交部照會駐京各國公使嗣准各該國公使照復均以已經報告各本國政府為詞迄今並未提及查修改稅則於我國稅課收入有莫大之關係既經本會議決應照本會簡章第七條呈請財政總長查照轉行外交部再行照會各國公使重申前議俾促進行再改訂稅則必須先事調查現在洋貨進口較前加多其貨色之高低種類之差別價值之貴賤磅價之漲落各有不同以最近五年（即一千九百九十一、九十二、九十三）年）比較牽算當可折衷作為根據應照本會簡章第六條報告稅務處令行總稅務司轉飭各關稅司按照本會所擬表格確查詳註從速申復以便辦理等語應將原案二件函陳查照辦理等因前來相應將印刷原件令行總稅務司查照分飭各關稅務司迅即將近五年貨價按照發去表式詳細調查從速具報并由總稅務司遴選熟悉稅則人員專司其事妥慎辦理此令

中華民國貳年玖月叁拾日

ENCLOSURE No. 2.

COMPARATIVE TABLE OF IMPORTATIONS FROM ABROAD (INCLUDING HONGKONG) FOR THE YEAR 1912.

(Note.—All columns should be filled in by Ports sending returns.)

DESCRIPTION OF GOODS.	CLASSIFIER OF QUANTITY ACCORDING TO 1902 TARIFF.	TOTAL IMPORTATION FROM ABROAD, INCLUDING HONGKONG, DURING 1912.	TOTAL DUTY COLLECTED ON IMPORTATIONS OF 1912 ACCORDING TO 1902 TARIFF RATE.		VALUES ACCORDING TO TARIFF CLASSIFIER.						TOTAL AMOUNT DUE ON IMPORTATIONS OF 1912 AT A 5 PER CENT. DUTY RATE ACCORDING TO AVERAGE VALUE OF FIVE YEARS.	PROPOSED NEW DUTY RATE IN HAIKUAN T'ELS.	TOTAL AMOUNT DUE ON IMPORTATIONS OF 1912 ACCORDING TO PROPOSED NEW RATE.	PROPOSED NEW DUTY RATE IN DOLLARS.	RE-MARKS.	
			Duty Rate.	Total.	1909.	1910.	1911.	1912.	1913.	Total.						Average of Five Years.
English Name.	Chinese Name.		Hk. T'ls.	Hk. T'ls.	Hk. T'ls.	Hk. T'ls.	Hk. T'ls.	Hk. T'ls.	Hk. T'ls.	Hk. T'ls.	Hk. T'ls.	Hk. T'ls.	\$			
																(Total.)

CIRCULAR No. 2125 (SECOND SERIES).

Revenue collection, banking of, with Bank of China: I.G.'s instructions.

INSPECTORATE GENERAL OF CUSTOMS,
PEKING, 3rd December 1913.

SIR,

In continuation of previous Circulars and instructions concerning the banking of Customs revenue, I have now to enclose, for your information and guidance, copy of some correspondence that has passed between the Shui-wu Ch'u and myself on the subject of the handling of the revenue at treaty ports by branches or agencies of the Bank of China (中國銀行).

You will see that, in order to give effect to international engagements, I have laid down the principle that the revenue can only be deposited in *bonâ fide* branches of the Bank able and willing to undertake ordinary banking transactions, and that there are objections to entrusting the revenue to organs established by the Bank under the name of P'ai-pan Ch'u Fên-chih Chin-k'u (派辦處分支金庫), etc., which, in effect, are not banks but Government treasuries. At the same time, I have stated that there is no objection to the Central Government Bank handling revenue moneys provided that proper agreements are entered into and the Bank is in a position to give the necessary facilities. At ports where revenue is deposited in provincial banks or in banks under the direction of Kuan-wu Ch'u, it is desirable to employ the Central Government Bank whenever it is possible to do so.

As you are likely to be approached by the local agents of the Bank of China in this connexion, I enclose copy, in English and Chinese, of a form of agreement, which I consider suitable, and which you are authorised to adopt.

The only point which will require further reference to, and final sanction by, me is the amount of bank commission.

You are to note that before any transfer of revenue collection to local branches of the Bank of China is made, the notice required by existing agreements is to be given, and that at ports where revenue is directly handled by a foreign bank no change is to be made without special instructions from myself. Finally, in any negotiations that may take place you are to deal directly with the agent of the Bank.

I am, etc.,

F. A. AGLEN,
Inspector General.

ENCLOSURE No. 1.

總稅務司申呈 稅務處

案查各口所徵洋常稅款歸中國銀行收存匯解一事曾奉第

七百八十一
七百五十二

六百二十九
七百六十四

七百四
七百三十五
一千八
一千一

百四十一 一千一百五十四 一千二百四十五 一千二百六十五 一千三百
三 一千三百二十 一千四百二十一 一千四百六十九 一千四百七十三

等號令文均不外籌畫此事之辦法現復

奉到第一千五百七十七號

令以准財政部函稱准中國銀行函稱據上海分行緘稱准蘇關楊監督緘開蘇關款歸中國銀行經理一節前准貴行長來函囑爲先與稅司接洽是否承認移交如可允即當派員到蘇組織接收今稅司先後聲復謂俟奉總稅務司札文即遵照辦理又稱現已奉到總稅務司命令是爲已承認已允行可無疑義惟現在蘇關稅銀並非仍交江蘇銀行代收正值無人經理之時未便日久懸曠是稅司第一事即詢貴行何日來蘇開辦第二事是否專理稅款抑兼普通營業既經稅司詢及統希見復合亟函請貴行速即派員來蘇組織機關接收蘇稅並查核敝署鈔送之江蘇銀行原立合同條文參酌辦理仍祈將派定何員職名及稅司所詢二事於函到後先行示復以便轉達接洽一切等因應請查核前來查本行代理國庫不論分支金庫以及派辦處等級機關概負完全責任即派辦處一項亦係金庫條例所定早經奉

大總統批准公布施行自應一體遵照前因鎮江關稅司疑問不允照交稅款業由本行屢次聲明各節並請大部轉達稅務處令飭各關稅司一律承認在案茲准滬行轉呈蘇關監督緘內所稱稅司尚詢是否專理稅款抑兼司營業等語本行爲慎重主權統一國庫起見不厭詳明用特再行聲敘除各省所設分支行號代理分支金庫外所有不營業務地方所設之金庫派辦處係專司代理國庫亦係法律規定請查照函知稅務處通令各關稅司知照等因應函達查照辦理等因前來除函復財政部外相應令行總稅務司通飭各關稅務司遵照辦理並申覆本處等因奉此總稅務司查前奉

鈞處第二千四百七十三號割交之辦法八條訂明由總稅務司管理收存各口關稅嗣奉第一千二百六十七號令以原訂辦法八條經外交部與各國駐京領銜大臣會商改爲七條詳閱該七條全文暨第三條所載應請總稅務司承認允將海關所有淨存稅項開單交與所派之委員會屆中國政府復能償還洋債賠款之時爲止等語意即可見各關稅款自商人完納之日起至交付上海三銀行爲止其間保存稅款之責均在總稅務司一人條中並未提及及各口監督暨其他各署之語則在此條件未經取銷以前其責任完全由總稅務司擔負既負如此重責是以爲維持稅款不致損失起見不能不慎重將事籌思辦法俾得一面妥慎保存一面不使外交團有藉詞干涉之地步至各關所徵稅款交存中央政府所設之銀行總稅務司於此項辦法極欲照行且亦早經提及認爲應行之事現在之中國銀行既爲中央政府所設則除大連等有特別情形之各關外其他各關所徵稅款甚願交存惟保存稅款之責既由總稅務司擔負即應由各口代表總稅務司之各稅務司按照他行普通營業性質與該行董妥商辦法議訂合同似不必令由各口監督加入此事因此事原與各口監督不相關涉亦不必特設金庫派辦處專司代理關稅

緣此等派辦處既爲中央政府特設之機關自必不受總稅務司之指揮倘將稅款交存則管理之責儼然不在總稅務司之手各外交團必將指爲違背原訂之辦法七條矣若由總稅務司將各關稅款與各該中國銀行訂立合同交其收存縱使外交團有所質問亦必能辯明與尋常存款於各商號之性質無異如現在之稅款或存於外國銀行或存於省行或存於上海漢口中國銀行普通營業之處是也竊維改訂之辦法七條原爲國際所訂之合同既經中央政府將收存稅款之責交由總稅務司擔負則於此項合同未經取銷以前若將此責轉卸於他人實屬有負政府之委託卽難免外交團有所藉口將謂總稅務司既如此不擔責任應將各口稅款移交各國所派之銀行團委員會管理且近一年來頗有一二國亟圖將此權轉入銀行團之手今我若予以可乘之機適足使彼面如願以償則保持國權之辦法一變而爲放棄國權之事實因有以上各情是以總稅務司只能與中國銀行普通營業之號按照總稅務司所定規則將稅項交其收存現因贊成財政部之籌畫起見亟謀此籌畫之推行則中國銀行宜速在各口設立分支各行收存稅款後照普通銀行辦法按期將所存稅款匯交上海方爲妥善應請鈞處將總稅務司所陳意見向財政部一爲剖解請其轉飭中國銀行迅在各口開設分支行號俾與各口稅務司就近會商收存稅款之規則此項規則原以統一爲目的惟因各口情事迥不相同一切津貼匯水等事恐難期有完統一之效奉到前因理合備文復請

鈞處酌核轉咨施行可也此申 中華民國貳年拾壹月捌日

ENCLOSURE No. 2.

方議定條款如左	國銀行授以代其辦理之權者雙	國銀行支行之經理 <small>條款內但由中</small>	稅務司授以代其辦理之權者中	立定某某關稅務司 <small>條款內但由總</small>	此合同於中華民國 年 月 日	合 同
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Agreement made this . . . day of . . . in the year one thousand nine hundred and . . . between the Commissioner of Customs at —— (hereinafter called the Commissioner), acting under the authority and on behalf of the Inspector General of Customs, on the one part, and the Agent of the branch office of the Bank of China at —— (hereinafter referred to as the Bank), acting under the authority and on behalf of the Bank of China, on the other part.

成	全之責	擔有完	時銀行	在銀行	之稅款	其收存	理收稅	辦法辦	司指定	照稅務	銀行允
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1.—The Bank undertakes to receive the Customs revenue as directed by the Commissioner, and admits full responsibility for the funds collected so long as they are lodged in the Bank.

權	取款項之	該帳內提	隨時由各	務司授以	司有總稅	帳簿稅務	司名下之	立具稅務	指定辦法	照稅務司	各稅款須	二銀行所收
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2.—The Bank shall lodge all Customs revenues in accounts to be opened in the name of the Commissioner as may be directed by him, and the Commissioner has authority from the Inspector General to draw on these accounts.

方 商 定	會 同 銀 行 雙	應 由 稅 務 司	下 者 其 匯 水	等 稅 帳 目 項	稅 務 司 洋 常	接 解 滙 交 總	由 該 銀 行 直	令 辦 理 如 須	聽 稅 務 司 指	如 何 匯 解 均	款 應 何 時 及	三 銀 行 所 存 稅
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3.—The Bank shall remit the collection at such times and in such manner as may be directed by the Commissioner. In ports where the remittance of revenue to the Inspector General's accounts at Shanghai is effected directly by the Bank, the rates of remittance shall be settled by the Commissioner in consultation with the Bank.

所 以 期 便 利	設 一 收 稅 公	司 在 關 署 內	可 商 由 稅 務	適 宜 之 地 則	公 處 所 如 無	地 點 備 有 辦	海 關 近 便 之	稅 事 宜 須 於	四 銀 行 辦 理 收
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4.—The Bank shall provide an office for the receipt of duties at a convenient distance from the Custom House. In the event of no suitable premises being available, the Bank shall make arrangements with the Commissioner to open an office in the Custom House.

弊	誤 耽 延 等	意 俾 免 貽	稅 務 司 之	敏 捷 能 副	接 待 客 商	才 識 足 資	員 其 人 數	理 收 稅 人	五 銀 行 允 辦
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5.—The Bank undertakes to provide a collecting staff of such capacity and in such numbers as will ensure, in the opinion of the Commissioner, the prompt transaction of business with the merchants in order to avoid errors and delay.

務 司 核 對	冊 送 由 稅	意 開 具 清	稅 務 司 之	按 期 依 照	明 逐 日 並	款 分 別 註	將 經 收 稅	所 定 名 目	照 稅 務 司	六 銀 行 允 接
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6.—The Bank undertakes to record the collection under different headings as fixed by the Commissioner, and to submit daily—^{and}_{or} other periodical—statements that he may wish to be supplied with.

七海關所徵各項稅
 款本按關平紋銀
 計數銀行允卽照
 該地方通行之錢
 幣折算徵收其折
 算之數目須同稅
 務司商定畫一自
 商定後如無稅務
 司簽允更改之據
 銀行不得任便增
 減其地方通行之
 錢幣折算關平紋
 銀之定數須在銀
 行及海關門首宣
 示俾衆周知

7.—The Bank undertakes to receive the duties, which are payable in Haikwan taels, in the recognised local currencies of the port at rates to be fixed in consultation with the Commissioner, and no change may thereafter be effected in the rates thus fixed without the written consent of the Commissioner. The rates for collection in local currency shall be posted at the Custom House and at the Bank for the information of the public.

八銀行代收稅
 項應由海關
 給予酬勞費
 或每月核給
 定數若干兩
 或照所收稅
 數每百兩酌
 給若干俟每
 月底全數照
 付若按收數
 計給酬勞除
 船鈔外所收
 稅項均應計
 數提付

8.—The Bank's remuneration for collection shall be at the fixed rate of *Hk.Tls.* . . . per month, or the Bank shall receive a commission of *Hk.Tls.* . . . on every *Hk.Tls.* 100 collected. At ports where the Bank receives remuneration in the form of a commission, such commission shall be paid at the end of each month on the whole month's collection. Tonnage dues are excluded from revenue on which commission is chargeable.

九銀行如欲將此合同
 撤銷須在一個月以
 前達知稅務司如稅
 務司欲撤銷此合同
 亦須於一個月以前
 達知銀行惟若因維
 持稅項起見應另定
 徵收稅項特別辦法
 稅務司仍守有立即
 撤銷合同之權如照
 此辦理該銀行仍須
 自截止代收稅項之
 日起展至次月底止
 照第八條所載辦法
 得其酬勞之費

9.—In the event of the Bank desiring to cancel this Agreement, one month's notice must be given to the Commissioner. Similarly, the Commissioner will give one month's notice of his desire to terminate this Agreement. The Commissioner, however, reserves

full right at any time to make whatever special arrangements for the receipt of duties the safety of the revenue may demand, and, in lieu of one month's notice, to terminate this Agreement the Bank shall be entitled to receive remuneration in the terms of Article 8 to the end of the month following the date on which it ceased to receive the duty collection.

CIRCULAR No. 2143 (SECOND SERIES).

Customs revenue devoted to service of loans and Indemnity: all payments to be made on dates on which they fall due; Articles of Agreement *re*, revised.

INSPECTORATE GENERAL OF CUSTOMS,
PEKING, 10th January 1914.

SIR,

With reference to Circular No. 2108:*

Customs revenue devoted to service of loans and Indemnity:
copies of Articles of Agreement and correspondence
re, circulating:

I have now to circulate, for your information and for purposes of record, copy of Shui-wu Ch'u despatch No. 1868, from which you will see that it has been decided from the beginning of the present year to meet all payments for loans and Indemnity secured on the Customs revenue on the dates on which they fall due.

In order to conform with the altered circumstances, Article 2 of the seven Articles of Agreement arranged between the Chinese Government and the Diplomatic Body with regard to the Inspector General's control of Foreign and Native Customs revenue has been amended as follows:—

款 之 數	該 銀 行 每 月 應 收 賠	各 銀 行 帳 內 足 敷 各	款 應 攤 撥 關 於 賠 款	息 全 行 付 清 所 餘 各	百 年 前 所 借 各 款 本	付 關 稅 所 保 一 千 九	始 每 月 抄 待 每 月 應	九 百 十 四 年 一 月 爲	存 關 稅 之 處 由 一 千	家 應 作 爲 在 上 海 收	卽 匯 豐 德 華 道 勝 三	關 係 尤 重 之 各 銀 行
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* *Antea*, vol. iii, p. 146.

The Banks chiefly interested, viz., the Hongkong and Shanghai Banking Corporation, the Deutsch-Asiatische Bank, and the Russo-Asiatic Bank, shall be custodians of the Customs funds at Shanghai. At the end of each month, beginning with January 1914, the surplus,* after all payments due each month on account of loans secured by the Customs revenue and contracted previous to 1900 have been fully met, shall be divided *pro rata* amongst the Banks having charge of the Indemnity service up to the amount of the instalments respectively due to them each month.

I am, etc.,

F. A. AGLEN,

Inspector General.

* This term has borne two distinct meanings. In the context it means the balance left of the distributed Maritime Customs revenue after all payments on account of foreign loans secured on that revenue prior to 1900 had been met. Later, in 1917, it came to signify the available balance of the net Customs revenue remaining after all foreign loans and all Indemnity charges, according to the original agreements, had been fully met or covered. (*Vide* "China's Customs Revenue since the Revolution of 1911" (3rd Edition), pp. 290, 291.)

ENCLOSURE.

稅務處令

前據總稅務司所擬洋常各稅抵償借賠各款節略內第二項辦法經本處函請外交部照知各國公使在案上年十二月二十九日接准外交部復稱准領銜英國公使復稱已由各國公使會議允行惟須由各本國政府批准欲使此新辦法與各國駐京公使及貴政府前定之辦法相符則擬將該辦法之第二條改易如下關係尤重之各銀行即匯豐德華道勝三家應作爲在上海收存關稅之處由一千九百十四年一月爲始每月抄待每月應付關稅所保一千九百年前所借各款本息全行付清所餘各款應攤撥關於賠款各銀行帳內足數各該銀行每月應收賠款之數等語是否可行函請查照見復等因本處當以領銜英國公使照稱擬改各節與上年八月九月間商改歸還各洋債賠款辦法之第二條有無出入並能否照辦令行總稅務司酌核申復去後茲准該總稅務司申稱查暫管關稅一事駐京各國公使與外交部所訂之辦法第二條載關係尤重之各銀行即匯豐德華道勝三家應作爲在上海收存關稅之處待該三銀行所存之款足敷付還本年應付一千九百年前所借各款本息之用時卽自是日起將本年洋稅所餘之款攤撥關於賠款各銀行帳內云云竊以爲此條內所云本年卽指一千九百十三年而言現屆一千九百十四年既經各國公使允照總稅務司申文所附節略第二項辦法辦理則原改之第二條當然歸於無效現如欲將借賠各款於今年內統按定期照付自應另訂辦法俾昭妥洽今閱領銜英使擬改之第二條字樣頗與事實相合中國政府似可允爲照改理合復請鑒核示復等情前來本處覆核無異除函達外交部照知領銜英公使外相應令行總稅務司遵照辦理可也此令

中華民國三年壹月柒日

稅字第壹千捌百陸拾捌號

CIRCULAR No. 2147 (SECOND SERIES).

Revenue collection, banking of, with Bank of China: *pro formâ*
agreement *re*, approved by Ministry of Finance
and accepted by Bank.

INSPECTORATE GENERAL OF CUSTOMS,
PEKING, 20th January 1914.

SIR,

With reference to Circular No. 2125:*

Revenue collection, banking of, with Bank of China: form
of agreement that Commissioners are authorised to
enter into with Bank, notifying:

I have now to circulate, for your information and for purposes of
record, copy of Shui-wu Ch'u despatch No. 1920, from which you
will see that the *pro formâ* articles of agreement, communicated to
you in the above Circular, have been approved by the Ministry
of Finance and accepted by the Bank of China.

I am, etc.,

F. A. AGLEN,
Inspector General.

* *Antea*, vol. iii, p. 159.

ENCLOSURE.

稅務處令

案查各口徵收稅項交由中國銀行收存一事前疊據總稅務司來申均經本處函達財政部核辦去後茲據函稱此事經本部會同中國銀行及貴處妥議辦法並以洋關稅款因關係洋債賠款目前財政狀態尚難規復前清按省攤解之舊制則外交團對於辛亥十二月所訂條款辦法必不認取銷國庫對於此項稅款之收支自不能不變通辦理規定例外以爲將來規復之計現在關稅凡在抵押洋賠各款範圍以內款項其存儲辦法應准照總稅司所擬存入中國銀行九條合同辦法暫行照辦其轉入庫帳之法俟總稅司每結收入稅款及付出洋賠各款報告到後由本部按照成例補發收付命令記帳一面知照中國銀行補記金庫帳上以完手續至預算亦應由部另訂特別辦法庶免窒礙應請按照前項辦法定期接收稅款業經函復中國銀行查照辦理各在案茲准復函稱查總稅務司所擬九條合同辦法既經會議公決自應查照辦理除令飭各分行一律遵照外仍請函知稅務處從速令行各稅司以便實行等因前來相應函達貴處查照令行總稅務司轉飭各關稅務司遵照辦理等因前來相應令行總稅務司管照辦理此令

中華民國
國泰年壹月拾柒日

CIRCULAR No. 2166 (SECOND SERIES).

Opium, foreign and native, seizures of: rewards for, to be issued
according to Canton scale.

INSPECTORATE GENERAL OF CUSTOMS,
PEKING, 21st February 1914.

SIR,

With reference to Circular No. 1959:

Opium, native: seizure of, disposal of, and issue of rewards
and fees: Wuchow procedure notified:

and to Circular No. 2021.*

Opium, foreign and native, seizures of: disposal of, and
issue of rewards and fees: Canton procedure notified:

I have now to circulate, for your information and guidance, copy of Shui-wu Ch'u despatch No. 2034, from which you will see that the question has arisen at Tientsin whether rewards for native opium seized should be issued according to the Wuchow or according to the Canton scale. You will note that the Ministry of Finance has issued instructions that rewards for all opium seized are to be paid according to the Canton scale, and that the Shui-wu Ch'u now lays down that this rule is binding for all opium seized after the receipt of the Ministry's instructions, but that rewards for native opium seized before those instructions were received are to be issued according to the Wuchow scale.

The date when the Ministry issued the instructions referred to is not given. Probably it was in July 1913.

I am, etc.,

F. A. AGLEN,
Inspector General.

* *Antea*, vol iii, p. 97.

ENCLOSURE.

稅務處令

三年二月十二日據津海關監督呈稱案奉財政部令梧州關拏獲土藥每百兩以十大元充賞如有眼綫以三十大元充賞粵省各關拏獲私運藥土每土藥百兩以十元充賞關員以二十元充賞眼綫每洋藥百兩以十五元充賞關員以三十元充賞眼綫熟膏加倍轉行各省長仿照等因經直隸民政長核定津秦兩關原存土藥應發賞號暨眼綫送信等款應查照原案按梧關辦法核發此後查獲私運膏土卽照粵關辦法行令禁烟善後局遵照嗣因稅務司拏獲有眼綫土藥二百六十兩在稅司謂拏獲每百兩除給扞手一成賞號十元外另再加賞眼綫洋三十元共四十元因禁烟局尙未照送經稅司函催監督公署先行墊發旋禁烟局以每百兩只能共賞三十元扣除十元計土藥二百六十兩共扣除二十六元墊款不能撥還其數尙微惟似此拏獲之案甚多稅司與禁烟局各執以後糾葛不清自應將章程解釋明白決定數目俾此後彼此不致抵牾所有拏獲有眼綫土藥每百兩究應共賞三十元抑係四十元之處應呈請核示等因前來查拏獲私土給賞一事前准財政部函詢應否按照梧關抑照粵關辦法辦理當經令行總稅務司查復嗣據復以粵關辦法爲宜業已通飭各關仿照辦理並由本處函復財政部在案此次津關所詢賞款數目如在未奉部令以前拏獲私土卽仍照梧關辦法其已奉令之後則應按照粵關辦法辦理以分界限而昭平允除令行津海關監督遵辦外相應令行總稅務司轉飭該關稅務司遵辦可也此令

中華民國三年二月十八日

CIRCULAR No. 2178 (SECOND SERIES).

Superintendents: monthly return of revenue collection to be supplied to; instructions.

INSPECTORATE GENERAL OF CUSTOMS,
PEKING, 23rd March 1914.

SIR,

Previous Circulars have laid down the principle that Superintendents of Customs are to be kept fully informed concerning all details of the port revenue collections, and it happens that at most ports monthly returns are sent in by the Commissioners, while the Superintendent is supplied independently with daily figures through the Lushih. No definite instructions have yet been issued by myself in this connexion, as it seemed desirable to wait until it should be known what particulars the Superintendents would be called upon to submit to the Ts'ai-chêng Pu, Shên-chi Ch'u, and other departments of the Central Government, and nothing has been said, in the shape of general instructions, on the subject of affording the Superintendents information concerning the disposal of the port collections by local appropriations and remittance to the I.G.'s revenue accounts at Shanghai.

Superintendents have thus, in some instances, been placed in the position of having to plead inability to render the returns required of them on the ground that the revenue is collected and disposed of by Commissioners of Customs without their knowledge, and the time has come to put matters on a more satisfactory footing in this respect. A Chinese version of the "Daily Collection" and of the "Disposal Account"—Tables I and III in Report [B.—6]—has therefore been designed, [K.—11], and will be supplied to the ports by the Statistical Secretary. It is to be filled in monthly in duplicate; one copy is to be attached to Report [B.—6], and the other is to be forwarded to the Superintendent as soon as ready at the close of each month. The despatch forwarding this document is, however, to contain the proviso that it is subject to audit at the Inspectorate, and that should any alteration be found necessary it will be duly notified and amendment requested.

This return should take the place of the monthly statements hitherto forwarded by Commissioners, and where daily statements of collection are still sent in by Lushih, care is to be taken that the daily totals agree in all particulars with those that will appear in the Commissioners statement at the end of each month.

Bank receipts for duty are to continue, as before, to be sent to the Superintendent at such times as may be locally convenient.

The above instructions do not apply to the revenue collections at Kowloon and Lappa, where a special procedure is in force.

I am, etc.,

F. A. AGLEN,
Inspector General.

CIRCULAR No. 2180 (SECOND SERIES).

**Salt Likin pledged as security for 1898 loan: quotas to be paid by
Central Government. Customs staff to be withdrawn from
Ichang, Hupeh, and Anhwei Collectorates.**

INSPECTORATE GENERAL OF CUSTOMS,
PEKING, 26th March 1914.

SIR,

With reference to Circular No. 820:*

Likin pledged as security for loan: collection in certain
districts entrusted to Customs Service:

as well as to later Circulars on the same subject, I have now to circulate, for your information and guidance, copy of Shui-wu Ch'u despatch No. 2188, from which you will see that arrangements have been made to pay the Salt Likin quotas due for the service of the 1898 $4\frac{1}{2}$ per cent. loan in future direct to myself from funds in the control of the Central Salt Administration.

The likin quotas will therefore cease to be payable to the Commissioners and Deputy Commissioners in charge of the Ichang, Hupeh, and Anhwei Salt Likin Collectorates, and the Customs staff now employed in connexion with the collection of the likin quotas in these three collectorates will be withdrawn.

I am, etc.,

F. A. AGLEN,
Inspector General.

* *Antea*, vol. ii, pp. 104-130.

ENCLOSURE.

稅務處令

催解七處釐金撥抵英德借款一案前據總稅務司所擬兩項辦法迭經本處函達財政部酌定見復去後茲准復稱此案鹽釐一項當飭由稽核總所與稅務司商定辦法所有宜昌鹽釐鄂岸鹽釐皖岸鹽釐三項由各該權運局隨他項鹽稅同時徵收無論該鹽釐收數若干統先歸入鹽款項下再由本部鹽務署內稽核總所將抵押該借款應交之款計宜昌一百萬兩鄂岸五十萬兩皖岸三十萬兩按期撥至上海歸入海關總稅務司帳內除貨釐一項另行核議辦法函復外應先將鹽釐一項函請查照轉知總稅務司等因前來相應令行總稅務司遵照可也此令 中華民國三年三月二十四日

CIRCULAR No. 2184 (SECOND SERIES).

**Likin collectorates: arrangements for future payments of quotas at
Soochow, Hangchow, and Kiukiang notified.**

INSPECTORATE GENERAL OF CUSTOMS,
PEKING, *3rd April* 1914.

SIR,

In Circular No. 2180* you were informed of the arrangement that has been made for the payment in future of the Salt Likin quotas due for the service of the 1898 $4\frac{1}{2}$ per cent. loan, and you will have seen from the copy of the Shui-wu Ch'u despatch enclosed that the question of the payment of the General Cargo Likin quotas was reserved for further consideration.

I have now to circulate, for your information, copy of a second despatch, No. 2235, from the Shui-wu Ch'u in this connexion, preceded, to make the record complete, by copy of my despatch No. 2135 to the Shui-wu Ch'u, to which both the above documents refer.

You will see that the Minister of Finance has decided to make the provincial Kuo-shui-t'ing (國稅廳) and Ts'ai-chêng-ssü (財政司) responsible in future for the General Cargo Likin, and has issued instructions that the monthly quotas are to be handed, as before, to the Commissioners in charge of the collectorates concerned. Accordingly, while the Ichang, Hupeh, and Anhwei Collectorates have been closed, the Soochow-Sung-Hu, Eastern Chekiang, and Kiukiang Collectorates will continue to be responsible for the full monthly loan quotas due from them, which are to be handed, as before, to the Commissioners at Soochow, Hangchow, and Kiukiang for remittance to my Account L.

Advantage has been taken of the change in the manner of payment of the Salt Likin to adopt the foreign calendar for keeping and rendering Likin accounts, and the financial year will in future be reckoned from 1st January to 31st December, beginning with January 1914.

I am, etc.,

F. A. AGLLEN,
Inspector General.

* *Antea*, vol. iii, p. 174.

ENCLOSURE.

總稅務司呈 稅務處

案查一千八百九十八年英德金借款指定七處釐金抵撥之項交由總稅務司備還一事原訂合同本應照廣東六廠辦法代徵嗣因查看一切交代難於着手遂改訂仍由華員經徵按月交由經理之稅務司或副稅務司接收匯滙歷經照辦在案惟自民軍起義以後各該釐局多未將全數照交迨奉到鈞處第一千七百八十五號

令以前據總稅務司呈稱催解七處釐金抵還借賠各款一事當經本處函達財政部核辦見復在案查七處釐金載在光緒二十四年英德借款合同似應接續履行昨由本處蔡會辦與財政部張次長面商略謂英德借款在先五國團借款在後不妨先行通電各該處飭令如數解交稅務司暫收所有鹽釐究應劃歸何處一俟總稅務司與丁會辦商妥後再為酌定辦法張次長已允先行通電催令貨釐應解之款如數撥解惟鹽釐仍應俟接到丁會辦回信再為核辦相應令行總稅務司遵照可也等因奉此當即轉飭各該稅務司或副稅務司行知各該貨釐局將十二月分貨釐應交之數全行交付一面函達丁會辦請其斟酌辦法如何將宜昌鄂岸等鹽釐二局十二月分應交之款撥交總稅務司以符原定合同而循 財政部之意旨乃據各經理員報稱除蘇州松滙貨釐兩局十二月分照交全數庫平銀十六萬六千六百六十六兩又皖

岸鹽釐一局仍舊按序照交外其浙東九江貨釐兩局並未交到分文而與丁會辦往返函商鹽釐款項亦無效力是此事尚未定有端倪視此情形殊非妥洽在總稅務司一面仍有將七處指抵之款全數交付此項借款債權團之責成而彼面則有數局不但分文未交並以釐款屬之中央應歸財政部辦理釐局不負其責相推諉惟借賠各款自本年已訂定按期付清是以各釐局應交之款最關緊要必須按期交清以免將應還之數全由關稅擔任現經再四思維擬有兩項辦法應即陳明請為酌辦一係照舊嚴飭各釐局各將合同原訂之數按月就近照交經理之稅務司或副稅務司轉交上海釐金帳目項下一係由財政部承認此項付款之責歸部擔任將貨釐四局應付之款飭由中國銀行按月提交總稅務司再飭鹽務稽核總所將合同原訂鹽釐應交之款按月交由丁會辦轉交總稅務司分別接收備抵此兩項辦法擇一而行均無不可惟一經擇定即應著實施行以免經理此事之人徘徊中道趨向無方茲將按照原訂合同每月貨釐四局鹽釐三局應交之款分別開列於後

蘇州貨釐局

庫平銀六萬六千六百六十六兩

松滬貨釐局

庫平銀十萬兩

九江貨釐局

庫平銀一萬六千六百六十六兩

浙東貨釐局

庫平銀八萬三千三百三十三兩

宜昌鹽釐局

庫平銀八萬三千三百三十三兩

鄂岸鹽釐局 庫平銀四萬一千六百六十六兩

皖岸鹽釐局 庫平銀二萬五千兩

以上所開各局應交款數理合備文附請

鈞處咨商財政部酌核擇取何項辦法愈速愈妙俾此事得臻妥洽如蒙核定迅即令飭總稅務司以便轉飭各該經理之稅務司或副稅務司遵照辦理可也此申 中華民國三年一月十九日

關字第二一三五號

稅務處令

催解七處釐金撥抵英德借款一案前據總稅務司所擬兩項辦法迭經本處函達財政部酌定見復去後嗣准復稱此案鹽釐一項當飭由稽核總所與稅務司商定辦法等因業經令行遵照在案茲復准財政部函稱本部詳細熟商擬即擇用該總稅司原擬第一項辦法辦理飭由各該省國稅廳會同財政司於收到前項釐金後照應交數目按月就近交付經理之稅務司或副稅務司至宜昌鄂岸皖岸三處鹽釐業已另由稽核總所張總辦與總稅務司商有辦法係將宜昌漢口大通三局鹽釐與鹽稅同時徵收歸入鹽款項下不拘鹽釐若干由稽核所總會辦將抵押英德之款計宜昌一百萬兩漢口五十萬兩大通三十萬兩撥歸上海總稅司帳下較與稅司所訂第二辦法大致相同函請查照等因前來相應令行總稅務司遵照可也此令 中華民國三年四月一日

第二二三五號

CIRCULAR No. 2196 (SECOND SERIES).

**Chinese correspondence between Commissioners and other
Chinese official institutions not to be carried on
through Commissioner of Foreign Affairs.**

INSPECTORATE GENERAL OF CUSTOMS,

PEKING, 1st May 1914.

SIR,

I circulate herewith, for your information and guidance, copy of Shui-wu Ch'u despatch No. 2382, from which you will see that the Board has laid down that any correspondence that Commissioners of Customs may have to carry on with other Chinese official institutions is to be forwarded direct and not through the Commissioner of Foreign Affairs (交涉司), since Commissioners of Customs, although they are foreigners, are also Chinese Government officials.

I am, etc.,

CECIL A. V. BOWRA,

For the *Inspector General*.

ENCLOSURE.

稅務處令

本月二十七日准交通部函稱據吉長鐵路管理局呈稱准奉天交涉署函開現准大連關稅務司函稱吉長路局自上年十月後所運材料內有非建築物不在免稅之列當時本關疎於考核漏未徵稅茲特開列清單載明貨色數目估價值稅項並報運日期送請轉致吉長路局補交稅銀以符定章等因查該關單開補徵稅銀各件確非建築免徵之品照開正稅關平銀貳百陸拾肆兩玖錢柒分自應如數完納惟此項稅銀是否由本路送與奉天交涉署請其轉納抑由本路逕交大連關查收伏候示遵等情本部查稅關係我國內政稅務司雖係外人亦係我國僱用之員稅關向路局補取稅銀於外交無涉除指令該路局速將應補稅銀逕交大連關外應函請通飭各關嗣後遇有此等事件可逕與各路局直接辦理毋庸由交涉員核轉以省周折等因前來相應令行總稅務司分飭各關稅務司遵照此令

中華民國三年四月二十九日

CIRCULAR No. 2206 (SECOND SERIES).

Native Customs tariff: new uniform tariff proposed; report called for.

INSPECTORATE GENERAL OF CUSTOMS,
PEKING, 27th May 1914.

SIR,

For some time I have been devoting attention to Native Customs procedure and a reform of the Native Customs tariffs; but in view of the complexity of these questions, the amount of work that any attempt at tariff reform would throw on the ports, the certainty of local opposition, and the uncertainty of our being able to accomplish anything, I have hitherto chiefly confined myself to calling for information and instructing you to compile the English tariffs, alphabetically arranged, that are indispensable for a serious study of the question. From the copy of Shui-wu Ch'u despatch No. 2497, appended to this Circular, you will see that the Ministry of Finance and the Shui-wu Ch'u are now taking up the question of tariff reform, and this being so it is to be hoped that some progress may be made.

The proposal now put forward is to introduce, with certain exceptions, a uniform Native Customs tariff for the whole of China.* The new rate is, in principle, to be equal to half the old Maritime Customs tariff rate; but in places where the local Native Customs tariff rate levied at the present moment on any kind of goods exceeds the proposed new rate, the present rate is to be maintained. The Shui-wu Ch'u instructs me to have this new tariff introduced at all the Native Custom Houses under our control. From what date the change is to be made is not stated.

The Superintendent of your Custom House will doubtless have received similar instructions, and you are to consult with him as to the feasibility of carrying them out, either as they stand or with amplifications. For all that is contemplated in these instructions is the substitution of a new and heavier tariff for the antiquated tariffs now in force. No mention is made of reform of procedure, abolition of fees, or any other measure to sweeten the pill for the merchant classes.

* The investigations made as a result of this Circular, and the tables prepared (*vide* I.G. Cir. No. 2240), showed that such a uniform tariff was impracticable. There were too many deeply-rooted diversities of tariff practice, both in the average weight of the rates levied and in the rates charged on the same classes of goods in different districts. The greater part of the Native Customs trade, too, was purely a local trade, so that what might be applicable and fair in one district would be the very reverse in another. In the end, the Government decided to let the matter drop.

When you have learnt the view of the Superintendent and, as far as possible, those of the merchant classes, you are to report to me on the subject, stating your own views as to the desirability and practicability of putting into force the proposed new tariff, either with or without concessions in return. If the calculation can be made without entailing too much work, I should also like an estimate of what the gain to the revenue by the proposed change would be, on the supposition that trade did not suffer by it.

You will inquire of the Superintendent and inform me whether he has instructions to introduce the new tariff in the stations solely controlled by him, and, if so, from what date he proposes to introduce it. You will point out to him the desirability of the change being made simultaneously both inside and outside the 50-*li* radius, as otherwise trade will be deflected from places where taxation is heavier to those where it is lighter.

I am, etc.,

F. A. AGLLEN,
Inspector General.

ENCLOSURE.

稅務處令

五月十五日准財政部函稱案照各常關稅則有爲雍正初年所定者有爲乾隆中年所定者歷年久遠物價懸殊而舊則又無值百抽幾之確定因仍沿用稅項既日見短絀商家擔負亦不得其平光緒季年津海山海粵海等關業經先後修改均依據海關稅則或照率折半徵收或改則不相上下各關各自爲政未歸畫一此外墨守成法者更無論矣宣統間度支部會同貴處籌議整頓常關首及釐訂稅則亦以海關稅則爲張本擬議未定卽逢改革各常關五十里外分口向歸本部直轄正在切實整理核定歲額嚴訂考成以期收數漸有起色而根本問題仍在修改稅則折衷前後各議參酌津海山海等關先例當以比照海關稅則折半徵收作爲標準擬飭各關將該處沿用舊則與通行海關稅則互相比較凡舊則不及海關折半之數者應卽修改一律比較海關稅則折半徵收其有舊則與海關折半之數相等或逾於海關折半之數者均仍其舊分別切實釐定庶國稅得以增收而商家亦易於遵守惟稅則既議修改五十里內各口自應一律辦理應請貴處主持徵集意見決議見復會飭各關遵辦等因前來查整頓中國常關自以修改稅則爲切實入手辦法現准財政部來函徵求意見擬仿照海關稅則比較修改以期稅收暢旺本處甚爲贊成所有五十里內常關各口既歸新關接管自應一律遵照認真釐訂以昭畫一除函復外相應令行總稅務司遵照辦理並從速申復本處可也此令

中華民國三年五月二十一日

SEMI-OFFICIAL CIRCULAR No. 12.

Commissioners and local Government Departments: copy of Canton Commissioner's despatch concerning Superintendent's request that communications to other Government Departments should be forwarded through him circulated with instructions.

INSPECTORATE GENERAL OF CUSTOMS,
PEKING, 10th February 1914.

SIR,

I append hereto a copy of a despatch received from the Canton Commissioner, informing me how he replied to a request from the Superintendent that he would correspond with other Government Departments through the Superintendent.

The attitude taken up by Mr. Maze in this matter is the correct one, and should a similar request be addressed to you by the Superintendent, your answer should be to the same effect.

I am, etc.,

F. A. AGLEN,
Inspector General.

ENCLOSURE.

The Canton Commissioner to the Inspector General.

No. 9239

I.G.

CUSTOM HOUSE,

CANTON, 17th December 1913.

SIR,

I have the honour to forward, herewith enclosed,* a copy of some recent correspondence with the Superintendent, from which you will observe that he suggests that should the Commissioners of Customs have occasion to address the local Government

* Not printed.

Departments here, they should forward their communications through the Superintendent, for the ostensible purposes of enabling the latter to keep his archives complete, etc. But in effect the adoption of such a system would practically debar Commissioners from holding direct communications with Government Departments other than the Superintendent's yamên, and the idea would thus be conveyed that the Commissioners were, in effect, the subordinates, rather than the colleagues, of the Superintendent. I have informed the latter that the practice has been, is, and should continue to be for Commissioners to communicate direct with other Government Departments where necessary; that change in this respect is not desirable; that I have informed both the Tutu and the Civil Administrator accordingly; but that, as regards *purely Customs questions*, I have no objection to letting him have a copy of any communication which I may have occasion to send to other officials for his archives. I venture to hope that my action will meet with your approval.

I have, etc.,

F. W. MAZE,
Commissioner.

CIRCULAR No. 2218 (SECOND SERIES).

Opium smuggling, serious cases of: members of Chinese crew guilty of aiding smugglers to be handed over to local officials for punishment, etc.; instructions.

INSPECTORATE GENERAL OF CUSTOMS,
PEKING, 10th June 1914.

SIR,

1.—I circulate herewith, for your information and guidance, copy of Shui-wu Ch'u despatch No. 42, from which you will see that having been asked to report what measures had best be taken to check the constant growth in opium smuggling, I submitted a proposal based on measures which have been found efficacious in dealing with serious cases of salt smuggling. This proposal has been approved by the Board.

2.—In future, when serious cases of opium smuggling occur, and you have clear evidence that members of the Chinese crew of the vessel concerned are implicated in them, you are to have the guilty parties handed over to the local officials for punishment, through the Consul if the vessel on which the smuggling took place is a foreign vessel, in the direct way if she is a Chinese vessel.

3.—I further pointed out that the present scale of informants fees is insufficient to elicit the information, without which the suppression of smuggling is impossible. As soon as the state of the treasury permits it, this will be taken into consideration.

4.—You will further note that in serious cases of opium smuggling, the Shui-wu Ch'u directs that the master shall be indicted for false manifest. In view of the unsatisfactory result of our efforts to enforce the false manifest penalty in the case of the s.s. *Taiwan*, if a foreign vessel is concerned and the suggested line of attack is adopted, great caution should be used; and before adopting it, you will do well to refresh your memory with a study of the *Taiwan* case, which you will find fully recorded in V.—Office Series, Customs Paper No. 10, so that you may be aware of the pitfalls likely to be met with.

I am, etc.,

F. A. AGLEN,
Inspector General.

ENCLOSURE.

稅務處飭

爲飭知事據第二二五二號呈稱現在烟土運私之法層出不窮如欲杜絕各口私運之弊俟政府財政稍裕必須從優給賞線人以昭激勸現既力有未逮是以擬飭各關如遇私運烟土案件果真查有該輪船水手暨他項執事之華人等幫助私販確實憑據如係中國輪船由稅務司將犯案人等逕送地方官懲辦如係外國輪船請領事官送交地方官懲辦如此辦理諒必耽延行輪時間而該船主及代辦人且必有種種煩擾之情事各輪船船主及代辦人如欲免此種種煩擾之情事暨爲貿易利益起見即不得不於該船中所用人等設法取締毋使違悖禁令幫助私販運送烟土俾得除水手人等違悖法律與己無涉之舊弊也以上所陳辦法乃係仿照水手私運大批鹽舫辦法履行多年成效昭著是否有當理合備文呈請鈞鑒核復等語查從優給賞線人一節現在政府財力未裕應再另行籌議該總稅務司所擬仿照水手私運大批鹽舫辦法取締輪船水手私運烟土辦法甚屬妥善應即照准但本處以爲禁運私烟之法不厭求嚴按一千八百五十八年天津條約第三十七款內載各船艙口單如有漏報者船主應罰銀五百兩等語是船主負有船貨與艙口單完全相符之責任今欲加嚴取締船上人等私運烟土應並援引此例責成船主俾知謹慎嗣後如查有船上人等私運烟土者除將犯案人等先行分別送官懲辦外應另議船主以相當之罰款庶幾船上人等夾帶私烟之弊可以杜絕除咨復外交部暨飭行各關監督外相應飭行總稅務司通飭各關稅務司一體遵照辦理并申復可也此飭

中華民國三年六月六日

CIRCULAR No. 2228 (SECOND SERIES).

Customs College, Peking: students graduated from: instructions *re*
employment of. Chienhsi: institution of Service rank of.

INSPECTORATE GENERAL OF CUSTOMS,
PEKING, 30th June 1914.

SIR,

1.—In continuation of Circular No. 2001:*

Customs College, Peking: students graduated from: future
employment of:

I have now to inform you that after consultation with the Ministers of the Shui-wu Ch'u, it has been decided, in regard to the 1914 and future graduates, to modify the provisional procedure arranged last year for the employment of the 1913 graduates. The term Chienhsi will be retained, but it will become a Service rank and connote a definitely appointed Customs employé instead of a College learner. Of the 1913 Chienhsi, a certain number will now be appointed 4th Chinese Assistants, C, with monthly salary at the rate of *Hk.Tls.* 80. The remainder will remain in the list of Chienhsi, drawing their present salary until either their abilities and performance of work entitle them to be promoted to fill vacancies in the Assistants class or they become qualified by seniority, to be reckoned from date of joining the College, for inclusion in the rank of 3rd Clerk, B.

2.—The 1914 graduates, of which there are 23, will be appointed Chienhsi, with monthly pay at the rate of *Hk.Tls.* 50. At the end of one year, a certain number, according to qualifications and vacancies, will be appointed 4th Chinese Assistants, C. The remainder will be drafted into the list of 3rd Clerks, C, with seniority from date of joining the College. The seniority of those Chienhsi who are, or may hereafter be, appointed Assistants will date from their appointment to the Service as Chienhsi, whether they were appointed under the 1913 or 1914 signification. The seniority of Chienhsi who hereafter may be appointed Clerks will be reckoned from date of joining the College. A copy of Shui-wu Ch'u despatch No. 80 in this connexion is enclosed for your information.

* *Antea*, vol. iii, p. 91.

3.—The Commissioners at the ports where the 1914 graduates are being appointed are to place them under the charge of the Deputy Commissioner (or senior Foreign Assistant) and senior Chinese Clerk. Chienhsi are first to be trained in all branches of General Office work. They have already acquired a theoretical knowledge of Customs documents, tariffs, treaties, etc., and they must now learn to apply this knowledge in a practical way. They are to be examined at the end of every three months in the work they have been performing by a series of test questions, and the result, in the shape of a brief report on each employé, with special reference to his conduct and office behaviour, is to be submitted to me officially. The examination papers need not be forwarded. The desks are to be changed every three months, and work varied as much as possible. A special record of each Chienhsi is to be kept in your office giving particulars of the desks served at and the time at each, with notes of his proficiency or inefficiency. No further special reports will be required for the 1913 Chienhsi, but confidential reports on them are to be forwarded as on other employés. Memorandums of Service will be required for all Chienhsi after the dates of their joining the Customs College and of their appointments as Chienhsi have been notified to the ports concerned.

I have to request Commissioners of ports where Chienhsi are appointed to take a special and personal interest in their progress.

4.—At ports where the appointment of Chienhsi has increased the Chinese In-door Staff beyond its normal strength, no Candidate Clerks are to be engaged until numbers shall have fallen to the normal level and a vacancy thereafter occurs.

I am, etc.,

F. A. AGLEN,
Inspector General.

ENCLOSURE.

稅務處飭

爲飭知事案查位置稅務學校畢業生一事前據總稅務司英文節略內稱民國二年所派之見習員總稅務司均按各關稅司所報擇其優者酌升數人爲四等丙班幫辦月薪關平八十兩其餘留爲見習員仍支關平六十兩俟有缺額時升爲幫辦或編入三等乙班供事之列至民國三年之稅務學校畢業生亦擬派往海關充當見習月薪關平五十兩俟一年期滿其程度不足擢升幫辦或幫辦缺滿無法升補者即改編爲三等丙班供事月支關平五十兩嗣後該校畢業生派入海關均擬如此辦理是否有當伏乞鑒核示遵等情查所擬派用稅務學校畢業生辦法尙屬妥協應即照准茲發去稅務學校第二年班畢業生名單一紙除柳宗權趙從善二名另行派委外相應飭知總稅務司遵照辦理迅即派用可也此飭附名單一紙 中華

民國三年六月十六日

CIRCULAR No. 2234 (SECOND SERIES).

Service expenditure: necessity for economising in.

INSPECTORATE GENERAL OF CUSTOMS,
PEKING, 7th July 1914.

SIR,

The frequent demands for more staff and suggestions for increased expenditure which come up from the ports lead me to think that the necessity for economy in Service expenditure is not thoroughly understood by the Service generally.

In recent years various reforms have been introduced, and conditions have in many ways been improved. Pay has been increased in almost all departments for both Chinese and foreign Staff, and promotion has been accelerated. A Works Department has been established with the object of giving better office and house accommodation. Travelling allowances have been increased; the Out-door Staff has been recruited in Europe; leave conditions have been improved; and in many other ways have efforts been made to strengthen and better the Service.

All these things, however, have cost money. The Service resources are far from inexhaustible, and I have heavy commitments in many directions. In the matter of building alone, immediate requirements are very large. Our property in many of the old ports—built in the old haphazard way from amateur plans and under amateur supervision,—in spite of enormous sums spent in repairs, is tumbledown and requires complete rebuilding; while several of the new ports are quite inadequately provided for and are in urgent need of suitable accommodation. The system of putting up solid and durable buildings will prove an economy in the end, but entails in the meantime a very heavy initial outlay and the maintenance of a costly technical staff.

It is evident that if beneficial and useful expenditure is to be continued, useless, extravagant, and unproductive expenditure must be curtailed. Where staff is better paid and more quickly promoted, fewer men must do the work. 10 A.M. to 4 P.M. cannot be considered a full day's work for well-paid men, and both Commissioners and Assistants and other employes of all grades must be prepared to work extra hours when it is required. Drones must be eliminated, in connexion with which point I must again ask your attention to the final paragraph of Circular No. 1807.

Suggestions for port economies should emanate from the ports, and yet it is rare for such suggestions to be made. Some ports decline and revenue falls off. Our expenses should decrease to some extent at any rate; but it is very unusual for a proposal for reduction of staff to be made. New ports arise, and there is a constant demand from them for fresh expenditure. It is only fitting that there should be a reduction in the cost of the declining port to put against the expense of developing the rising one.

Apart from the question of the reduction of staff—salaries are always the largest item in our expenses—and the effecting of large economies, much can be done by all who have the spending of Service money by the mere avoidance of waste and extravagance and the abandonment of the idea that the Service is able to pay for anything and everything. Small economies in many ports make a large aggregate for the whole Service. There must be many small ways in which saving can be effected without loss of efficiency or the false economy of allowing property to deteriorate. It is probable that redundant minor employes, not really required for Service purposes, can in many cases be dispensed with. Not only in the ordinary expenditure at the ports, but in the great spending departments, all unduly expensive in comparison with the rest of the Service—Works, Marine, Statistical, etc.,—there must be ways in which expenditure can be reduced.

The economical development of the Customs property is a matter of the first importance. Where land or other property is unused and can be conveniently leased out, it should be leased out. Where land is lying undeveloped, while possibly large sums are spent in rent allowances to the staff, my attention should be drawn to the matter and plans suggested.

In short, we must, if we are to continue to develop the Service on lines which all must wish to see, husband our resources and conduct our expenditure on business principles.

You are henceforth, when making any payment at your port or in your department, carefully to scrutinise the items and consider whether all are absolutely necessary, whether we are getting full value for our money, or whether some may not be reduced. The Audit Department here will examine the accounts in the same spirit. Another point to which I have to call your attention is that claims which are not in accordance with Service rules, and which thus obviously cannot be granted, should not be transmitted to Peking

merely to elicit the inevitable refusal. I do not wish to restrain useful and productive expenditure: what I wish in the general interest to curtail is unnecessary luxury and waste.

I am, etc.,

F. A. AGLEN,
Inspector General.

CIRCULAR No. 2240 (SECOND SERIES).

Native Customs: full particulars *re* fiscal treatment of all goods passed through, to be reported; comparative tables of duties and values to be prepared.

INSPECTORATE GENERAL OF CUSTOMS,
PEKING, 24th July 1914.

SIR,

1.—In continuation of Circular No. 2206:*

Native Customs tariff: new uniform tariff, to equal half Maritime Customs rates, proposed; report called for:

I have now to circulate, for your information and guidance, copy of Shui-wu Ch'u despatch No. 160, from which you will see that the Board wishes tables to be compiled, showing the rates of duty at present levied at the various Native Custom Houses and the amount of duty that would be collected were the tariff a 2½ per cent. *ad valorem* tariff and all extra levies on goods abolished.

2.—The amount of work involved in the preparation of these tables will be very great; but the information to be supplied in them will not give a complete view of the duty treatment of goods by the Native Customs unless it is supplemented by further information. Native Customs questions, owing to their intricacy and the many obstacles in our way, have hitherto been too much neglected. The time has now come to place our administration of this department on a proper footing. To effect this, simplification of duty treatment and tariff revision are essential. As it is impossible that any serious tariff reform can be successfully carried through until present conditions are thoroughly known and tabulated in such a way as to be readily comprehensible, it will be best to avail ourselves of the

* *Antea*, vol. iii, p. 182.

present opportunity to get together all the necessary information. This information is to be embodied in a memorandum, which may be forwarded as an enclosure to the report called for in Circular No. 2206.

3.—As the proposal of the Shui-wu Ch'u is not to introduce a $2\frac{1}{2}$ per cent. *ad valorem* tariff but a tariff equal to half Maritime Customs rates (old tariff for native goods, revised import tariff for foreign goods), it will be necessary, in the first place, to add two columns to the table prepared by the Board, showing the rate of duty and the total duty that would be collected at half Maritime Customs rates. The column showing total duty that would be thus collected is to be added up. In the case of imports from, or exports to, foreign countries, these two columns are to give the rate of duty and the total duty that would be collected at full Maritime Customs rates. Special tables are therefore to be prepared for these goods.

4.—If possible, foreign goods should be divided from native goods, and imports from exports. But at ports where the fiscal treatment of imports from, and exports to, native ports is exactly the same, they may be included in one table. Re-exports are to be treated separately.

5.—The English tables are to be arranged alphabetically on the same lines as the Maritime Customs Tariff. All goods that are not specially enumerated are to be lumped together under "Miscellaneous" at the foot of the table. The total duty leviable on them at Maritime Customs rates is to be calculated at the same percentage of the value of the goods as the duty on the goods specially enumerated in the table comes to.

6.—In ports where various import tariffs or various export tariffs are in force according as goods are coming from or going to coast or inland places, etc., it will be necessary either to draw up a number of tables or else to add fresh columns to the Shui-wu Ch'u's table.

7.—Under the heading "Duty" only the tariff duty rate is to be given. Under the heading "Extra Levies," mentioned in the columns for duty payment, only such levies are to be included as are charged per picul, piece, etc. But there are, in addition, numbers of other charges, such as junk dues, document fees, etc., that cannot be shown in the rates levied per tariff unit of goods and that yet fall on trade. What these are should be clearly stated in a note. As far as possible they should be divided up between imports and exports. A summary is then to be added as follows:—

- A.* Total import duties (including extra levies levied per tariff unit) collected *Tls.*.....
- B.* Total import fees, etc., (not levied per tariff unit) collected *Tls.*.....
- C.* Total junk and other dues, etc., collected that do not fall specially either on imports, exports, or re-exports *Tls.*.....
- D.* Proportion of *C* falling on imports *Tls.*
- Percentage to be added to *A* on account of *B* and *D* *Tls.*.....

and the same for exports.

8.—For re-exports it will be necessary to show exactly what duties or fees are levied, but as in most ports charges are either the same for all cargo or else are in a fixed proportion to import or export duty rates, it is to be hoped that elaborate tables will not be needed. In case the charges bear a fixed proportion to duties, a column added to the export or import tables would suffice. As the local signification of “re-exports” varies from port to port, it is to be made quite clear what is exactly meant by the term.

9.—With regard to the figures called for showing quantities of goods that passed the Customs during 1912 and the values of goods for the three years 1911, 1912, and 1913, it is to be feared that it will not always be possible to supply them. Such figures as can be given are to be given, even if it be only the value of the goods at the present moment.

10.—I wish further to be supplied with—

- i. Complete copies of all the tariffs in force at your port (whether import, export, or re-export), arranged, when payable on goods, in the same order as the Maritime Customs Tariffs, *i.e.*, the English version alphabetically, the Chinese version in the same categories arranged in the same order as in the Maritime Customs Tariffs for foreign and native goods;
- ii. Complete tables of all fees, junk dues, or any other charges levied at your port over and above the tariff duty rate, showing how they differ according to destination and provenance of cargo;
- iii. A complete statement of the fiscal treatment of all goods passing your Native Custom House, whether imports, exports, re-exports, or goods in transit through your district.

The information given is to be complete. In future, I wish to be in a position to inform the Shui-wu Ch'u exactly what charges are levied at any Native Custom House on any goods going from any one place to any other, in the same way as I can supply such information for any goods passing the Maritime Customs. When once this information has been supplied, all changes subsequently made in port practice are to be notified to me, and no changes of any consequence are to be made without my authority.

11.—In addition to Commissioners in charge of Native Custom Houses proper, the Commissioners at Kowloon, Lappa, Kiaochow, and Dairen are to send replies to this Circular as well as to Circular No. 2206.

12.—The variety of practice at the different Native Custom Houses is so great that it is impossible to issue instructions applicable to every case. What is wanted is a complete epitome of Native Customs procedure with regard to the levying of duties, dues, fees, etc., arranged in such a way that it will be easily accessible for future reference. If there are any points on which further information is desired, the Commissioner concerned is to address the Chief Secretary by memorandum on the subject. The Kowloon and Canton Commissioners are to decide between them how imports that pay likin and chingfei at Kowloon and duty at Canton had best be treated.

13.—Two Chinese versions of all the tables called for, and the explanatory notes and statements concerning them, are to be forwarded, accompanied by a single English version. They are to reach me before the end of December 1914. In ports where the preparation of these tables will give more work than the present staff is able to cope with, Commissioners are to report the fact, and I shall endeavour to send an extra man to help them.

14.—English and Chinese versions of the table called for by the Shui-wu Ch'u (*see* § 1) will be printed by the Statistical Secretary, and 10 sheets of the Chinese version and 5 of the English version sent to each port concerned. If more sheets are needed, they can be requisitioned for from the Statistical Secretary.

I am, etc.,

F. A. AGLEN,

Inspector General.

ENCLOSURE.

稅務處飭

爲飭行事准財政部咨稱案照各常關稅則前由本部提議比較海關折半數分別修正函商貴處徵求意見當准見復贊成呈奉

大總統批令應由該部會商稅務處查照修改等因奉此查此案前經貴處令行總稅務司遵辦奉批前因即經酌定表式分飭各關將該處沿用舊則與通行海關稅則互相比較凡舊則不及海關折半之數者應即修改一律比照海關稅則折半徵收其有舊則與海關折半之數相符或逾於海關折半之數者均仍其舊分別切實釐訂詳復本部會商貴處修改應咨會查照加飭遵行等因前來本處查修改常關稅則一案前據總稅務司詳復當即通飭兼理各常關稅務司與監督商酌修改分別呈復並應籌及地方釐金經費等項抵補在案茲准前因應再飭行總稅務司遵照迅將原定表式通飭各關稅務司按照前令從速辦理申復本處以憑會商財政部核辦可也此飭附表式二紙

中華民國三年七月三日

CIRCULAR No. 2253 (SECOND SERIES).

War, European, of 1914: ruling *re* treatment and status of
Customs employés withdrawn by their respective
Governments for national service.

INSPECTORATE GENERAL OF CUSTOMS,
PEKING, 8th August 1914.

SIR,

The outbreak of war in Europe and the consequent withdrawal of a number of Customs employés under orders received from their respective Governments render it necessary to define the Service position *vis-à-vis* such employés.

China cannot retain in her employment, issue pay to, or grant leave to, individuals who are called up for service by their Governments, nor can she be in any way connected with or responsible for any acts committed by such individuals in their military capacity. Such employés are required to tender their resignations, to take effect from date of relief from duty in the Custom House, on which date Customs pay will cease. To those to whom retiring allowances are due (*i.e.*, those who have completed a first retiring allowance term) such will be issued, proportional amounts being given where a full second or later term has not been completed.

In view of the exceptional nature of the withdrawal, in which the employé himself has no option, the Service rule regarding re-employment will not be enforced in this particular case.

You are to enter a copy of this Circular in your Order Book and communicate a copy of it officially to any member of your staff who has been called to military service.

I am, etc.,

F. A. AGLEN,
Inspector General.

CIRCULAR No. 2255 (SECOND SERIES).

Neutrality rules to be observed and enforced during European war.

INSPECTORATE GENERAL OF CUSTOMS,
PEKING, 10th August 1914.

SIR,

I have to circulate herewith, for your information and guidance, copy of Shui-wu Ch'u despatch No. 327, from which you will see that war having broken out in Europe, China has declared herself neutral.

Appended to the despatch are copies of the Presidential Mandates issued on the occasion, notifying to everybody concerned the rules of neutrality that China intends to observe. These rules are to be given effect to as far as it is in your power to do so. A translation of them that appeared in the "Peking Gazette" of the 7th August is appended to this Circular for the sake of convenience. But the Chinese text is, of course, the authoritative one, and must be referred to on all occasions where there is any question as to what action ought to be taken.

Your actions in general should be guided by the principles laid down in Circular No. 1186.

I am, etc.,

F. A. AGLEN,
Inspector General.

ENCLOSURE No. 1.

稅務處飭

爲飭知事現因奧塞失和致啟歐洲各國戰事本月六日疊奉

大總統申令宣布局外中立條規相應照錄

申令暨條規飭知總稅務司迅即通飭各關稅務司一體遵照可也此飭附抄件

中華民國三年八月八日

利字第三二七號

大總統申令

我國與各國均係友邦不幸奧塞失和此外歐洲各國亦多以兵戎相見深爲惋惜本大總統因各交戰國與我國締約通商和好無間此次戰事於遠東商務關係至鉅且因我國人民在歐洲各國境內居住經商及置有財產者素受各國保護并享有各種權利故本大總統欲維持遠東之平和與我國人民所享受之安寧幸福對於此次歐洲各國戰事決意嚴守中立用特宣布中立條規凡我國人民務當共體此意按照本國所有現行法令條約以及國際公法之大綱恪守中立義務各省將軍巡按使尤當督率所屬竭力奉行遵行國際之條規保守友邦之睦誼本大總統有厚望焉此令

大總統
印

中華民國三年八月六日

國務卿徐世昌

大總統申令

現在歐洲奧塞俄德法英比等國不幸失和中國因皆係友邦已布令恪守局外中立以敦睦誼我國各地人民均應照常安堵所有各省及沿邊地方責成軍政民政各該長官等遵照中立條規嚴密防範凡通商口岸等處各國人民財產教堂一體加意保衛倘有匪徒造謠滋事即迅速查拏從嚴治罪京師地面著內務部步軍統領衙門順天府嚴密巡查彈壓毋任匪徒混跡對於各國使館尤當慎加保護京外各該官署皆有地方之責著將此次局外中立條規印刷張貼曉諭軍民人等一體知悉並嚴申禁令銷弭亂萌俾中外人民各得安居樂業毋稍疏懈致干重咎此令

大總統
統印

中華民國三年八月六日

國務卿徐世昌

大總統申令

茲制定局外中立條規公布之此令

大總統
統印

中華民國三年八月六日

國務卿徐世昌

教令第一百十二號

局外中立條規

第一條 各交戰國在中國領土領海內不得有佔據及交戰行爲凡中國海陸各處均不得倚之爲根據地以攻敵人

第二條 各交戰國之軍隊軍械及輜重品均不得由中國領土領海經過

其有違背前項規定者應聽中國官員卸去武裝並約束扣留至戰事完畢之時爲止

第三條 各交戰國之軍艦及附屬各艦在中國領海內不應停泊之口岸經中國官員知照而不開行者中國得令其卸去武裝所有船員一並扣留至戰事完畢時爲止

第四條 第二條及第三條所扣留之軍隊船員如乏衣食中國政府當量力供給俟戰事畢應由各交戰本國如數償還

第五條 凡各交戰國軍艦或附屬各艦在中國領海內得地方官允准停泊者其停泊時期不得逾二十四點鐘若遇風浪危險難以出洋或修理損傷未能完竣或購辦行船必需之糧食煤炭尙不足駛至該國最近口岸之數則應聽中國海軍統將或地方官酌展期限一俟事畢當即退出

第六條 除因風浪險惡或損壞修理外各交戰國中一國之軍艦或其附屬各艦停泊於中國一口岸或一港灣內者同時不得逾三艘以上

第七條 各交戰國之軍艦或附屬各艦若同在中國之一口岸內其後到之船應俟前船出口經二十四點鐘後奉有中國海軍統將或地方官之命令方准前往

第八條 各交戰國軍艦或附屬各艦在中國領海內添補一切需用之品不得逾平時所裝之數並不得增加其戰鬪力

第九條 各交戰國軍艦或附屬各艦不得在中國領海內緝捕商船並不得帶領所捕獲之船隻駛入中國口岸惟或因避風或修補損傷或購求行船必需之物件實出於萬不得已者不在此例一俟事畢當即退出且停泊之際不准使俘虜登岸及銷售所虜船舶及一切物件

各交戰國軍艦或附屬各艦若不遵照上項辦理者中國得將被捕之船及俘虜釋放并將船員扣留船舶或物件一併充公各交戰國軍隊攜帶俘虜入中國領土或俘虜逃入中國領土內者中國亦即將該俘虜釋放一面扣留該軍隊

第十條 各交戰國軍艦專供考察學問及宗教或充慈善之舉者不適用第三第五第六第八等條之限制

第十一條 各交戰國在中國領土領海內不得編成戰鬪軍隊艦隊或設立募兵事務所不得設立捕獲審判所並不得封鎖中國口岸

第十二條 各國在北京使館衛隊及北京至山海關各國留駐兵隊係按前清光緒二十七年七月二十五日即西曆一千九百零一年九月初七日和約辦理現仍應遵守此約不得干涉此次變局之事此外留駐中國各處之兵隊亦照此辦理

如有不遵守前項之規定者中國得扣留該軍隊并卸去其武裝至戰事完畢之時爲止

第十三條 中國人民寄居各交戰國境內者該國不得奪其資財不得勒充兵役在必要時中國得派軍艦前往保護或接載出口

第十四條 各交戰國有破壞中國之中立條規者中國如以各種方法阻止之時不得視爲啟釁之舉

第十五條 在中國領土領海內中國人民均不得往各交戰國充當兵役或充當軍艦或附屬各艦之水手并不得干預戰事

第十六條 在中國領土領海內人民不得爲交戰國治理武裝不得供給船隻或材料及一切軍需品如彈丸火藥硝磺兵器等類以供其交戰及緝捕之用並不得供給款項

第十七條 在中國領土領海內人民不得爲各交戰國探報軍情及製作關係戰事之公文

第十八條 在中國領土領海內人民非經陸海軍統將或地方官允許不得售煤炭燃料糧食於各交戰國之軍隊及軍艦或附屬各艦

第十九條 在中國領土領海內人民非經地方官允許不得爲各交戰國修理或裝卸被獲船隻并不得購買交換受贈寄存該船隻及一切被獲物品

第二十條 凡中國船舶及船上人等對於各交戰國應遵守其實力封鎖之各口岸條規不得運送戰時禁制品或遞送軍務函件或代爲運輸物品及一切違犯戰時公法之舉動

第二十一條 凡在中國領土領海內人民有違犯中立條規者若係中國人按照法令懲治并將違犯之物品一律充公若係外國人即按照條約及國際公法辦理

第二十二條 中國人民有違犯戰時公法經交戰國捕獲者悉聽交戰國法庭按照公法處理如係交戰國之違法行爲應由該交戰國賠償損害

第二十三條 中國船隻所載中國軍器及一切戰時禁制品往來於中國各口岸及輸送其他中立國或由其他中立國輸入者各交戰國不得截留

中國船隻所載交戰國之尋常通商貨物及交戰國船隻所載中國一切貨物可以往來無阻
中國所發給之護照憑照各交戰國均應一律認准

第二十四條 本條規未盡事宜中國應遵照一千九百零七年各國在海牙所畫押之陸戰中立條約海戰中立條約辦理

ENCLOSURE No. 2.

PRESIDENTIAL MANDATE ON THE OBSERVANCE OF
NEUTRALITY DURING THE EUROPEAN WAR.

THE DECLARATION.

Whereas we are happily at peace with all Sovereigns, Powers, and States;

And whereas a state of war unhappily exists between Austria-Hungary and Servia, thereby involving many other European Powers in a state of war;

And whereas by faith of Treaties of Friendship and Commerce we are on terms of friendship and amicable intercourse with each of the Powers;

And whereas the aforesaid unhappy state of war will seriously affect the commerce of the Far East;

And whereas great numbers of our citizens reside and carry on commerce and possess property and establishments and enjoy protection together with various rights and privileges within the dominions of each of the aforesaid Powers;

And whereas we, being desirous of maintaining the peace of the Far East and of preserving to our citizens the blessings of peace which now they happily enjoy, are firmly purposed and determined to maintain a strict and impartial neutrality in the aforesaid state of war unhappily existing between the aforesaid Powers;

I, the President, therefore specially issue the subjoined regulations for the strict observance of neutrality by all our citizens in accordance with the existing laws and statutes and the law of nations in relation thereto.

The Field-M Marshals and Governors General of all the provinces are hereby ordered to instruct their subordinates to diligently and faithfully follow the precepts laid down in the International Law, and to maintain the friendship with all the Powers with whom we are happily at peace.

PRECEPTS OF NEUTRALITY.

1.—Belligerents are not allowed to occupy any part of the territory or the territorial waters of China; nor to commit an act of war therein; nor to make use of any place therein as a base of operations against their adversaries.

2.—Troops of any of the belligerents, their munitions of war or supplies are not allowed to cross the territory or territorial waters of China.

In the event of a violation, the troops shall submit to the Chinese Authorities to be disarmed and interned, and the munitions of war and supplies shall be held in custody until the termination of the war.

3.—If belligerent warships and auxiliary vessels are found in a port within the territorial waters of China where they are not entitled to remain, China may order them to disarm and detain the officers and crew until the termination of the war.

4.—The troops interned and the officers and crew detained, in accordance with Articles 2 and 3 respectively, will be supplied, if necessary, with food and clothing until the termination of the war. The expenses thus incurred shall be made good by the respective belligerents.

5.—Belligerent warships or auxiliary vessels which are allowed by the Local Authorities to remain within the territorial waters of China can remain there for a period not exceeding 24 hours. If they are unable to depart for the sea within this period on account of stress of weather, or on account of the fact that the repairs to damage are not completed, or of the fact that they have not shipped a sufficient quantity of necessary food provisions and fuel to enable them to reach the nearest port of their own country, they shall leave it to the Commanders of the Chinese Navy or the Local Authorities to consider an extension of the time limit. They must leave as soon as the circumstances of the delay are at an end.

6.—Except on account of stress of weather or repairs to damage, the number of warships or auxiliary vessels belonging to a belligerent which may simultaneously remain in one of the ports or roadsteads of China shall not be more than three.

7.—When warships or auxiliary vessels belonging to several belligerents are present simultaneously in one of the ports of China, the ship or vessel which arrived later cannot leave until 24 hours

after the departure of the one which arrived earlier and until after the receipt of an order to proceed from a Commander of the Chinese Navy or the Local Authorities.

8.—Belligerent warships and auxiliary vessels are forbidden to re-victual their supplies in the territorial waters of China above the peace standard or to increase their fighting strength.

9.—Belligerent warships or auxiliary vessels are forbidden to make captures in the territorial waters of China, and, except when it is absolutely necessary on account of stress of weather or repairs to damage or seeking supplies, they are also forbidden to bring a prize into any of the ports of China. They must leave as soon as the circumstances of their entry are at an end. During their stay, they are also forbidden to allow the prisoners of war to go on shore or to sell the prize and its contents. If belligerent warships or auxiliary vessels do not conform to the foregoing provision, China may release the prize and the prisoners of war, intern the prize crew, and confiscate the ship or vessel or the goods.

Prisoners of war brought into the territory of China by belligerent troops, as well as those who escape to China, will be released forthwith. The troops who bring prisoners of war into the territory of China will be interned.

10.—Articles 3, 5, 6, and 8 are not applicable to belligerent warships devoted exclusively to scientific, religious, or philanthropic purposes.

11.—Within the territory and the territorial waters of China, belligerents are not allowed to form corps of combatants or equip fighting vessels or open recruiting agencies or establish a prize court or set up a blockade of one of the ports.

12.—The guards attached to the Legations of the various Powers in Peking and their troops stationed along the route between Peking and Shanhaikwan shall continue to conduct themselves so as to conform to the Peace Protocol of the 25th day of the 7th moon of the 27th year of Kuang Hsü, *i.e.*, 7th September 1901. They are not allowed to interfere with the present war.

The foreign troops stationed in other parts of China shall act likewise.

Those who do not conform to the foregoing provision may be interned and disarmed by China until the termination of the war.

13.—Belligerents are not allowed to deprive Chinese who reside within their dominions of their money or property, or force them to enlist in their military service. If necessary, China may despatch warships to render them protection or to take them out of the country.

14.—The fact of China using various means to resist an attempt of a belligerent to violate these Articles of Neutrality cannot be regarded as a hostile act.

15.—Chinese citizens within the territory and territorial waters of China are not allowed to proceed to a belligerent Power to enlist in its military service or as a member of the crew of one of its warships or auxiliary vessels. Nor are they allowed to participate in the war.

16.—Within the territory and the territorial waters of China, no person is allowed to arm and equip for a belligerent, or furnish ships or stores and military supplies, such as shots and cartridges, gunpowder, saltpetre, arms, etc., for the purpose of performing acts of war or making captures. Nor are they allowed to supply any of the belligerents with funds.

17.—Within the territory and the territorial waters of China, no person is allowed to carry on the work of espionage for any of the belligerents, or prepare despatches concerning the operations of the war on its behalf.

18.—Without the permission of a Commander of the Army or the Navy or the Local Authorities, no person within the territory or the territorial waters of China is allowed to sell coal, fuel, or food provision to the troops or any of the warships or auxiliary vessels of the belligerents.

19.—Without the permission of the Local Authorities, no person within the territory and the territorial waters of China is allowed to repair or load or unload a prize on behalf of a belligerent; nor to sell, exchange, accept as a gift, or keep in custody the prize and all the belongings taken as prize.

20.—Chinese ships and all persons on board them shall observe the regulations in force at any port effectively blockaded by one of the belligerents, and must not carry contraband of war or forward military despatches or transport goods for one of the belligerents or commit other acts in violation of the laws of war.

21.—Any person within the territory or the territorial waters of China who violates these Articles of Neutrality, if he is a Chinese, will be punished in conformity with the laws and ordinances, and the goods confiscated; if he is a foreigner, he will be dealt with in accordance with treaty and the law of nations.

22.—Chinese citizens who violate the laws of war and are captured by a belligerent will be left to be dealt with by its courts in accordance with the law of nations. If the capture by the belligerent is illegal, it shall indemnify any loss or injury.

23.—Belligerents are not allowed to detain the arms or contraband of war carried by Chinese vessels between Chinese ports or for or from another neutral country. The ordinary commercial goods carried by Chinese vessels and belonging to a belligerent, as well as all goods belonging to China and carried in belligerent vessels, shall be allowed to pass to and fro without let or molestation.

All belligerents shall recognise and give effect to the passports and certificates issued by China.

24.—The cases not provided for in the present Articles will be dealt with by China in accordance with the Convention respecting the Rights and Duties of Neutral Powers and Persons in case of War on Land and the Convention concerning the Rights and Duties of Neutral Powers in Naval War, concluded between China and the other Powers at The Hague in 1907.

PEKING, 6th August 1914.

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CIRCULAR No. 2271 (SECOND SERIES).

Chinese Domestic Loan: prospectus of, and regulations
re underwriting of.

INSPECTORATE GENERAL OF CUSTOMS,
PEKING, 2nd September 1914.

SIR,

I have to circulate herewith, for your information and the information of your staff, copy of Shui-wu Ch'u despatch No. 423, concerning the Chinese Domestic Loan that is about to be floated, together with the Presidential regulations governing the loan and the regulations *re* underwriting it.*

I am, etc.,

F. A. AGLEN,
Inspector General.

* For historical account of this loan—the Third Year Internal Loan—*vide* “China’s Customs Revenue since the Revolution of 1911” (3rd Edition), pp. 238–241.

ENCLOSURE.

稅務處飭

爲飭知事准內國公債局函稱民國三年內國公債業經財政部擬具條例呈請

大總統核准公布並設立內國公債局擬具章程奉

批照准刻日開辦在案惟茲事體大募集巨款尤須藉公共機關預先認購以爲一般商民倡率用特函請貴處并希轉飭所屬各機關分別認購俾得集腋成裘公私同感貴處能認購若干或代募若干尙祈隨時函示等因查中國內債風氣向未大開此次合內外維繫之力擬具種種善法優予種種利益預計中外士商投資者定必踴躍各關員效力中國有年屢著勤勞迭膺懋賞對於此次公債當能不分畛域量力認購重以總稅務司之信用各關員信之有素尤必安心樂認今准公債局來函相應飭知總稅務司查照將此次內債條例分飭各關稅務司知照能認購若干代募若干并隨時報告總稅務司以憑轉告公債局可也此飭

中華民國三年八月二十八日

CIRCULAR No. 2336 (SECOND SERIES).

Native goods re-exported coastwise: Exemption Certificates may be issued for; instructions.

INSPECTORATE GENERAL OF CUSTOMS,
PEKING, 1st March 1915.

SIR,

1.—I have to circulate herewith, for your information and guidance, copy of Shui-wu Ch'u despatch No. 193, from which you will see that the Board has sanctioned the issue of Exemption Certificates, instead of Drawbacks and Duty Proofs, for native goods re-exported from one port to another.* This change of practice is at once to be introduced at Shanghai, and at other ports if it is thought desirable.

2.—The form the new Exemption Certificate is to take is to be decided in consultation with the Superintendent.

3.—As Article XLIV of the Danish Treaty of 1863 lays down that "Chinese produce brought in from another port, if re-exported coastwise within twelve months, will be entitled to a drawback certificate for the half-duty paid," we cannot refuse to issue Drawbacks for such cargo if required to do so. But the Shanghai Commissioner is to notify the public, as soon as the new document is ready, that, in future, Exemption Certificates will be issued for native re-exports; and is to bring such pressure to bear as is legitimate and consistent with the interests of the revenue to prevent shippers taking out Drawbacks instead of Exemption Certificates.

4.—Commissioners at other ports, who consider that it would simplify work or be in the interests of the revenue to introduce Exemption Certificates for native produce, are to consult with the Superintendent, and, if he agrees, proceed in the same way as is laid down above for Shanghai. If the new procedure is introduced, the fact is to be reported to me.

5.—Appended to the Shui-wu Ch'u's despatch is a copy of a letter from the Shanghai Commissioner on the subject of the methods adopted at Shanghai for the prevention of abuses. Should a study of this document show that similar methods might with advantage be adopted at other ports, they should be introduced.

I am, etc.,

F. A. AGLÉN,
Inspector General.

* This was a revival of the practice introduced at Shanghai in 1855 by the Chinese authorities on the suggestion of Mr. H. N. Lay, then Inspector of Customs at that port. The practice was discontinued in July 1861. (*Vide* I.G. Cir. No. 2 of 1861, *antea*, vol. i, p. 4).

ENCLOSURE.

稅務處飭

爲飭知事前准財政部咨稱查洋貨復出口例不收稅近日外商往往有以土貨假冒洋貨置諸原箱之內載運出洋希圖漏稅擬於洋貨進口時在原箱啟閉處粘貼印花如遇滯銷之貨運回外洋印花未損者准其查驗放行如已損壞便應開箱查驗確係洋貨應准免稅如係土貨冒裝意圖漏稅應卽照章罰辦行飭調查員王得庚會商各監督妥籌詳核茲據該員復稱抵滬與江海關監督接晤囑函致威代理稅司籌議旋准威稅司查議鈔案復請核轉查威稅司以加貼印花於開箱看貨頗有窒礙又若於啟封再貼無多人可辦且僅貼印花於事亦恐無益至所鈔各件於發覺報關行舞弊之後取締此項復出口貨物章程亦尙完密果能隨時認真稽核亦可杜絕弊端應否將威稅司取締章程通行各關一律嚴查並商請稅務處轉致總稅務司通飭各關稅司於查貨洋員格外注意以免偷漏之處詳候鑒核施行等情查閱威稅司原函籌議各節於弊病本原所在詳述無遺各關此項情弊當亦在所不免應由各該監督設法嚴行防範或卽仿照江海關各項取締之法或另訂查驗專章鈔錄附件請行知總稅司轉飭各關稅司核議聲復等因當經本處鈔錄原函飭行總稅務司查明各關於此等防弊辦法能否一律或另有他章核明詳復以憑辦理

去後茲准總稅務司詳復稱查按照前署江海關稅務司威厚瀾交於監督之文內所列滬關防弊辦法自屬不爲無用設各口斟酌本地情形參仿辦理亦與稅務前途諒能有益已由滬關稅務司將此辦法轉行各口知悉惟滬關情形與他口不同一因貿易充暢一因奸商衆多是以迄今滬關所有防弊辦法仍形不足如欲祛除弊源最要之點卽在海關管理各項貨棧之權必須完全堅固以免各棧內抽換貨物之弊職是之故江海關稅務司於二年前曾經提議此事彼時未得進行現經該稅務司復行擬議辦法俟商酌就緒自當轉詳惟此外仍有防弊之法卽係限制關發存票之數目緣奸商舞弊多用頂替貨物冒領存票之一途總稅務司現思擬訂防範之法查向來洋貨進口完稅後若欲復運他口卽由原進之關發給免重徵執照惟土貨由此口運往第二口須在第二口完納復進口稅若由第二口再行轉運第三口時卽由第二口發給存票抵第三口照完復進口稅現擬將此法更改如土貨由第二口轉運第三口時卽由第二口發給已完復進口稅免其重徵之執照不必發給存票抵第三口不再徵稅如此擬辦似與防弊一道不無裨益而與關員辦事手續亦省煩難理合復請鑒查核復如以爲然卽可轉飭江海關稅務司遵辦並酌量推行各口等情前來查各關之弊病多發生於報關行若不嚴行取締則關稅之損失何堪設想前江海關稅務司威厚瀾所訂滬關防弊辦法尙屬詳明堪資參仿至海關管理各項貨棧既有保管之責

即有稽查之權於商人抽換貨物各情尤宜設法嚴防免生流弊應俟江海關稅務司擬商就緒詳由本處核定施行此外關發存票一節對於洋貨之復出口或轉口及土貨之復進口均應加意限制以防頂替冒領之弊總稅務司因向來洋貨進口完稅後若復運他口即由原進之關發給免重徵執照現擬將運往第二口之土貨完納復進口稅後轉運第三口時即由第二口發給已完復進口稅免其重徵之執照不必發給存票亦是防弊之一法江海一關自應遵辦其他各口亦可酌量推行除咨行財政部查照外相應照錄前江海關稅務司威厚瀾函件飭知總稅務司轉飭江海關及各關稅務司遵照辦理此飭附件

中華民國四年二月二十日

樂字第一九三號

照錄江海關稅務司復江海關監督函

逕啓者八月十二日接准

函示頃接

財政部調查員王得庚君來函以奉

部飭嚴防土貨冒充復出口洋貨加貼印花以憑查驗而杜取巧各節並附抄件一紙均經閱悉查三年前曾有報關行舞弊之事而該行等所具之保結屢次如同廢紙因此本關遂有取締報關行之訂章請檢宣統三年二月一日第三十六號又三月三日第九十一號去函又

尊署二月十日第四十四號又三月九日第八十八號來函便可查悉自試辦至今成效甚著其原因即在准設報關總公所之故而竟收美滿之結果也在報關行第一大弊係以土貨或廢物送往相近中國之外洋各口岸利用復出口洋貨單照以圖免完出口等稅且可得冒領之存票本關即以上項所述之故爰又另訂新章俾便貨物查驗後可以趕緊裝船本關即易於查察而可減少變換貨物之時機此項章程已於一千九百十一年六月六日第七百三十九號示諭宣布在案亦係歷辦著有效驗者也茲特抄錄一分送請

台閱其次之弊即係轉船貨從外洋各口岸來至外洋各口岸而在此私卸洋貨裝入土貨以免兩重之稅當經籌有種種防杜方法如珍重各貨須用線紮或或加鉛印並派巡役於該船臨開出口之先認真查察該貨是否完全至平常貨物由商人或報關行所報轉船者本關查驗後即用掛號駁船巡送至出口輪船總之本關對於轉船之貨物詳細注視也再次之弊即復出口往通商各口岸貨物私裝土貨圖換洋貨冒用免重徵執照其冒充之貨大半以仿洋式製造如肥皂臘燭襪子襯衣褲等類是以凡遇報運此項各貨至通商各口岸均經先行通知請俟貨到澈查因復出口貨物由滬運往通商各口岸者甚多如在此詳細查驗實覺人手不敷故最好之法必俟貨到彼口時查驗方能完全耳按洋貨復出口往通商口岸大都均用免重徵執照惟運往膠州大連二處者能自然得存票之利益至加貼印花一層如印花在進口箱件外面加貼實不足以杜冒充之弊且可從而增益之因貨箱內容

各貨可以隨便取出且可裝入土貨也如有法能將箱內貨物逐件加貼印花方可免弊惟似此手續煩瑣恐亦難以進行若用封條似亦無益因一經封固貨箱即不能開開則封裂仍屬無用誠以商人自開不得謂非即受主亦須先開貨箱查對一切貨物也准函前因合行奉復即祈

貴監督查照核轉爲荷此頌

日社

威

謹啓

附抄件

照錄抄件

稅務司墨諭照得凡有洋貨復出口前往外洋或威海衛並土貨出口現經本關改訂辦法三條如下仰各報關人等一體遵照毋違特諭

計開

一洋貨復出口改用報單凡原貨復出口往外洋或威海衛現經訂定改用綠色報單第恐此項綠色報單一時趕辦不及並爲免致躊躇起見仍准於西歷六月三十號以前暫將未經用完之白色報單照常作用惟必須於該單上段右首角上畫一寬大紅線庶易醒目此外復運通商各口並大連灣膠州等口者無論是否領取存票應

仍照常用白色報單至改用之綠色報單一項本關現已備妥著即來關領取樣張照辦可也

二凡原貨復出口往通商各口並大連灣以及膠州等口應仍一概照舊用白色報單外所有復運外洋並威海衛業經訂定改用之綠色報單一項限自西歷七月一號起實行屆時應將當日出口輪船結關之綠色報單須於上午十一點鐘前呈關以免遲誤且此項報單一經呈到本關定必撥冗首先辦理並可立刻將下貨單蓋印連同該報單一併由關定於下午兩點鐘前趕送至該輪所靠之碼頭倘該輪停泊江心或泊吳淞則即送至本關碼頭以便儘於三點鐘前隨到隨驗倘經驗得單貨相符即由驗貨員將該下貨單交還該商應即立時將貨下船其有改色之貨已在該商棧房驗明無訛即由監視改色之洋員將下貨單交還該商亦須立時將貨下船按以上第二條乃係暫行試辦之法倘經查有未盡妥善抑或有不便之處儘可隨時更改或即全行撤消

三因此條無關出入故不錄

宣統三年五月

隨樂字第一九三號

CIRCULAR No. 2348 (SECOND SERIES).

Postal parcels: chops and seal to be impressed on Customs Declaration forms on fulfilment of Customs requirements; instructions.

INSPECTORATE GENERAL OF CUSTOMS,
PEKING, 16th March 1915.

SIR,

I circulate herewith copy of a despatch received from the Postmaster General, from which you will see that it is desired that the Customs shall co-operate in facilitating the transit to addressees of postal parcels on which Customs requirements have been fulfilled by indicating this latter fact thereon more clearly than at present, thus obviating unnecessary delay and/or extra taxation of the parcels concerned by the Likin authorities.

You are accordingly instructed to see that the Customs Declarations (Duty Labels) accompanying such parcels are duly sealed and "chopped" as requested by the Postmaster General.

Should there be difficulty in giving effect to this request owing to the fact that duties on parcels are collected at a distance from the Custom House under circumstances which preclude access to the Commissioner's seal, you are to consult with the Postal authorities as to the best means of meeting the situation and are to report for my information and such instructions as may be necessary.

I am, etc.,

F. A. AGLEN,

Inspector General.

ENCLOSURE.

The Postmaster General to the Inspector General.

No. 2024.	<u>I.G. of Customs.</u>
General.	No. 174.

PEKING, 10th March 1915.

SIR,

The likin offices in the various provinces have lately paid special attention to the parcel traffic through the Post Office and have approached the various Postal Commissioners with a view to coming to an arrangement by which the Likin officials can assure themselves that postal parcels comply with likin regulations.

Postal Commissioners were accordingly authorised to negotiate with the Likin authorities for a set of working rules and to report these for approval. They were instructed that no new rules conflicting with those laid down in I.G. Circulars No. 1119 (Postal No. 72) and No. 1178 (Postal No. 79) would be approved, and that these Circulars were to be the basis of the arrangements arrived at. This policy has been successful, and all arrangements so far approved are in accordance with the rules of the I.G. Circulars above quoted.

In the application of the rules, however, difficulties have arisen in various places in connexion with the chops impressed by the Customs on parcels to indicate that they have been passed "duty free" or "duty paid." The Likin officials have refused to recognise these on the ground that the Customs Commissioner's seal is not also shown, and have consequently levied on such parcels at destination likin at the provincial rate. The Customs procedure, it is found, varies in different ports: of parcels which have passed through the Customs some bear the Commissioner's seal and some do not.

In order to protect both the parcel post and the Maritime Customs from illegal exactions by the Likin authorities, Postal Commissioners have been instructed to see that labels, as called for by I.G. Circular No. 1178, Postal No. 79, § 3, (c.), are invariably affixed to parcels passed through the Customs and that the seal of the Commissioner of Customs is impressed on the label to show that the labels were affixed by the Customs authorities. At the same time they have been directed to suggest to the Commissioners of

Customs that as the characters 不得稽問 in the authorised label may not indicate sufficiently clearly that no further levy should be made as duty and/or transit dues in lieu of likin have been paid in full, the chops used by the Customs on the labels should be, in the case of duty-paid parcels, 此項包裹已完應繳稅釐於投遞時不得重徵 and, in the case of duty-free parcels, 此項包裹已免應繳稅釐於投遞時不得稽問. It is hoped by this means to ensure that all parcels which have passed the Customs will be free of further likin charges within the C.P.O. delivery radius (I.G. Circular No. 1178, Postal No. 79, § 4).

I now have the honour to ask for Customs co-operation in the matter, in the hope that you will judge it opportune to instruct your Commissioners to have Customs labels on parcels sealed in the way suggested above or in such a manner as to ensure that they will be respected everywhere by likin offices.

I have, etc.,

T. PIRY,

Postmaster General.

CIRCULAR No. 2354 (SECOND SERIES).

Chinese language: Assistants' knowledge of, to be tested by special examinations: compendium of rules and instructions *re.*

INSPECTORATE GENERAL OF CUSTOMS,

PEKING, 9th April 1915.

SIR,

It having been found advisable to issue instructions from time to time amending those originally issued by me in Circulars Nos. 1732* and 1756 concerning the examination of Assistants in Chinese, the result has been that on some points of the subject it is no longer easy to know exactly what instructions are in force. Experience has shown, too, that slight further changes in the instructions hitherto in force would be advantageous. The time has

Chinese language: Assistants' knowledge of, to be tested by special examinations: compendium of rules and instructions *re.*

* *Antea*, vol. ii, p. 709.

also come to lay down a definite ruling with regard to Assistants who joined before June 1910 who have not qualified for Certificate *B*. Finally, the response made by the Service to the call on it to take up the study of Chinese more seriously has been so satisfactory that I feel justified in relieving all, except quite junior Assistants, from the tedium of a yearly port examination. The present Circular is therefore issued with a view to throwing into a more easily understood shape all the instructions that have hitherto been issued, or are now being issued, on the subject of the examinations in Chinese.

The principal alterations in the instructions hitherto in force are as follows:—

- 1°. Assistants who joined before June 1910 are divided into those who joined before 1901 and those who did not. Those who joined after 1900 are to be treated as if they had joined on 1st June 1910. Those who joined before 1901 are to continue to be allowed to be promoted up to the rank of Chief Assistant without passing the examination for Certificate *B*.
- 2°. Yearly examinations by port Commissioners are to be dispensed with, except for junior Assistants who have not gained Certificate *C*.
- 3°. Assistants who have gained Certificate *B* but not Certificate *A* will be required to requalify for Certificate *B* every four years.
- 4°. The examination for Certificate *B* has been shortened by the omission of two papers hitherto done with the aid of a Chinese Writer, and will in future only be divided into two parts—colloquial and documentary.
- 5°. In order to encourage the writing of Chinese characters, a special system of marking for this subject has been introduced.

Assistants who, according to the old regulations, have partly passed the examination for Certificate *B*, but who, not having passed in both the written and *viva voce* portions of the colloquial or documentary examination, would not be entitled to a part pass under the new regulations, will not be re-examined in those divisions of the examination that they have passed already.

STUDY OF CHINESE: RULES FOR FOREIGN ASSISTANTS.

1.—Assistants who do not hold Certificate *C*, and who are not being examined for Certificate *C*, will, at about the same time of year as the Inspectorate examination, be subjected to an examination by the port Commissioner. The examination will be on the same lines as the Inspectorate examination, and its difficulty will be proportioned to the number of months or years the examinee has served in China. The result of the examination and the quantity of book work the examinee presented for examination will be reported to the Inspector General. The services of Assistants who seem to be making no serious effort to learn Chinese, or who make next to no progress in the language, will be dispensed with.

Junior Assistants to be examined by port Commissioner.

2.—An Assistant is required to qualify for Certificate *C* not later than at the next examination held after he has completed three years' service in China. In case of failure so to qualify, he will either be discharged or promotion will be withheld until he does qualify. He may enter for this Certificate as soon as he feels competent to pass the examination. An Assistant who fails to qualify within the required time limit will be given one year's grace before promotion is withheld or his services are dispensed with, provided that he shows that he is really working at Chinese.

Certificate C.

3.—An Assistant is required to qualify for Certificate *B* not later than at the next examination held after he has completed five years' service in China. In case of failure so to qualify, promotion will be withheld until he does qualify. With the exception of Assistants who did not qualify for Certificate *C* within the required time limit, Assistants will not be allowed to enter for Certificate *B* till the next examination but one after that at which they obtained Certificate *C*. An Assistant who fails to qualify within the required time limit will be given one year's grace before promotion is withheld, provided that he shows that he is really working at Chinese.

Certificate B.

4.—An Assistant who has obtained Certificate *B* but has not obtained Certificate *A* is required to requalify for Certificate *B* at the examination held in the fourth year spent by him in China after he originally qualified for it. In case of failure so to requalify, promotion will be withheld until he does requalify.

Assistants who do not obtain Certificate *A* must requalify for Certificate *B*.

Certificate
A.

5.—The examination for Certificate A is optional, but all Assistants are expected to take it, and only Assistants who hold Certificate A will—except under quite exceptional circumstances—be promoted to the rank of Commissioner or Deputy Commissioner, or will in most cases be considered qualified for acting appointments as Commissioners or Deputy Commissioners. An Assistant may not enter for this Certificate till the next examination but one after that at which he obtained Certificate B.

Certificate
A with
honours.

6.—The examination for Certificate A may be passed with or without honours. An Assistant who has passed the examination for Certificate A without honours may apply to be re-examined on any subsequent occasion with a view to obtaining this Certificate A with honours. Other qualifications being equal, an Assistant who has passed with honours will be preferred for an acting appointment—especially for one where a thorough knowledge of Chinese is needed—to an Assistant who has only an ordinary Certificate A.

Examina-
tions for
Certificate
B and Cer-
tificate A
may be
passed in
parts.

7.—The examination for Certificate B will be divided into two parts (i, colloquial; ii, documentary), and the examination for Certificate A into three parts (i, written documentary; ii, *viva voce* colloquial; iii, *viva voce* documentary). In these two examinations a candidate may make good his failure in any of the parts into which the examination is divided by passing the part or parts in question in a succeeding year, but no Certificate can be obtained till all the parts of the examination are passed. In the case of Certificate A with honours, the Certificate must be won outright.

Assistants
who pass
written
tests and
cannot be
examined
viva voce:
treatment
of.

8.—Examinations will in all cases consist of both written and *viva voce* tests. An Assistant whom it is not possible to examine *viva voce*, but who passes the written portion of an examination, will be subjected to the *viva voce* examination as soon as an opportunity offers. If no such opportunity offers before he becomes entitled to enter for a higher Certificate, he will then be given the option of entering for the higher Certificate or completing his examination for that Certificate for which he has already qualified in the written portion of the examination. For purposes of promotion such Assistants will be considered to have passed their *viva voce* examination.

Absence
from China
and junior
Assistant
not being
stationed in
North
China will
be taken
into con-
sideration.

9.—In applying these rules full allowance will be made for time spent on long leave and for service out of China. If, during the first three years of his service in China, an Assistant is not either stationed for a year at a port north of Chinkiang, or sent for six months to Moukden to study Chinese, this fact will be taken into consideration should he fail to qualify for Certificate C within the required time limit.

10.—The Inspector General reserves to himself the right to subject any member of the Staff to examination in Chinese, whenever he considers that circumstances make such examination advisable.

I.G. reserves right to examine any member of Staff in Chinese

11.—The above rules will be strictly enforced with regard to all Assistants who joined on or after the 1st June 1910.

Rules applicable to all Assistants who joined after 1st June 1910. Assistants who joined before June 1910: how divided.

12.—With regard to Assistants who joined the Service before the 1st June 1910, they will, for the purposes of these rules, be divided into those who joined before the 1st January 1901 and those who joined on or after that date.

13.—Assistants who joined after 1900 will be treated as is laid down in the foregoing rules that they would be treated had they joined on the 1st June 1910, *i.e.*, unless they obtain Certificate *B* at the next examination held after they have completed five years' service in China since 1st June 1910, or unless they have already partly passed the examination for Certificate *A*, their promotion will be withheld until they obtain Certificate *B*. Assistants who are really working at Chinese will be allowed one year's grace before promotion stops.

Assistants who joined after 1900: treatment of.

14.—Assistants who joined before 1901 will not—except under special circumstances—be promoted to the rank of Deputy Commissioner or Commissioner unless they hold Certificate *A*. If they hold Certificate *C*, or have partly passed the examination for Certificate *A* or that for Certificate *B*, they will be promoted up to the rank of Chief Assistant, *A*, in the ordinary way; but if their knowledge of Chinese is so inadequate to their rank as to limit their usefulness as office men, they must not expect that their rate of promotion will be as fast as that of men whose general knowledge of office work is supplemented by proficiency in Chinese. Those who hold no Certificate and have not partly passed either the examination for Certificate *A* or that for Certificate *B* will be given no promotion. They will, however, be allowed to enter at any examination for any Certificate they please. An Assistant who has partly passed his examination for Certificate *B* will be allowed, if he so wishes, to enter for Certificate *A* before completing his examination for Certificate *B*; and an Assistant who holds Certificate *C* will likewise be allowed to enter for Certificate *A*.

Assistants who joined before 1901: treatment of.

Certificate C.—A mastery of Sir Walter Hillier's "The Chinese Language and How to Learn it," Second Edition (two volumes); "Kuan Hua Chih Nan," Parts II and IV. Ability to speak fluently and with a good pronunciation and vocabulary on easy topics.

Certificates: knowledge requisite for gaining of.

Certificate B.—A mastery of “Kuan Hua Chih Nan,” Parts II and IV; “T’an Lun Hsin Pien,” chapters 1 to 50; Hirth-Brewitt-Taylor’s “Documentary Text-book,” Second Edition, documents 1 to 21, 47 to 69, 98 to 123, 148 and 149, 168 and 169, 188 and 189, 229. Ability to speak fluently and with a good pronunciation and vocabulary on all ordinary and Customs subjects. Ability to translate easy Chinese documents and newspaper paragraphs unaided.

Certificate A.—Ability to transact easily any business in spoken Chinese without the aid of an interpreter; to translate readily and correctly anything from and into written Chinese with the assistance of dictionaries and of a Chinese Writer unversed in any language save his own; to translate ordinary Chinese documents unaided.

*Certificate A**.—Assistants who in both colloquial and documentary Chinese have reached an exceptionally high and practical all-round standard in class *A* and are able to master readily and thoroughly, unaided, difficult Chinese documents that have not been seen before will be given *Certificate A* with honours.

Note.—The official languages of the Service are English and Chinese, and the object of the Chinese examinations is to secure that foreign Assistants shall be able to translate from either of these two languages into the other. In the examinations for *Certificates B* and *C* a high standard of English is not demanded; but the gaining of *Certificate A* is intended to show that the Assistant’s linguistic attainments are sufficient to qualify him to take charge of a port. For this the ability to express himself in approximately correct English is essential. That it is more difficult for a Japanese to do this than it is for his colleagues from the continent of Europe to do so is evident; but as, on the other hand, it is much easier for a Japanese to learn Chinese than it is for an Occidental to do so, the relative advantages are thereby equalised.

Examina-
tions:
details of.

The examination for *Certificate C* will consist of—

I. WRITTEN.

- | | |
|---|-----------|
| Test 1. Translation into English, unaided, from | |
| Hillier | 50 marks. |
| „ 2. Translation into English, unaided, from | |
| “Kuan Hua Chih Nan” | 50 „ |
| „ 3. Translation into Chinese, unaided, from | |
| Hillier | 50 „ |

Test 4. Translation into Chinese, unaided, from "Kuan Hua Chih Nan"	50 marks.
„ 5. Recognition of isolated characters	50 „
„ 6. Knowledge of Chinese equivalents of Customs terms	20 „
„ 7. General questions	80 „
„ 8. Optional: writing of Chinese characters (i.e., in test 4)	50 „

II. *Viva voce.*

Test 9. Translation into English (from text-books) .	50 marks.
„ 10. „ „ Chinese „ „	50 „
„ 11. Conversation	50 „
„ 12. Oral interpreting	50 „
„ 13. Pronunciation	50 „
„ 14. Knowledge of tones: optional for all except men who have studied at the Moukden College; but strongly recommended to be taken up by all Assistants	50 „

The examination for Certificate *B* will consist of—

I. COLLOQUIAL.

(a.) *Written.*

Test 1. Translation into English, unaided, from "Kuan Hua Chih Nan," "T'an Lun Hsin Pien," and unseen	50 marks.
„ 2. Translation into Chinese, unaided, from "Kuan Hua Chih Nan" and "T'an Lun Hsin Pien"	50 „

(b.) *Viva voce.*

Test 3. Reading aloud and translating into English from "T'an Lun Hsin Pien"	25 marks.
„ 4. Reading aloud and translating into English of a previously unseen passage	25 „
„ 5. Translating into Chinese from "T'an Lun Hsin Pien"	50 „
„ 6. Conversation	50 „
„ 7. Oral interpreting	50 „

II. DOCUMENTARY.

(a.) *Written.*

Test 8. Translation into English, unaided, of a document from Hirth-Brewitt-Taylor	100 marks.
„ 9. Translation into Chinese, with the aid of dictionaries but without the aid of a Chinese Writer, of a document from Hirth-Brewitt-Taylor, writing the Chinese characters	100 „
„ 10. Recognition of isolated characters	50 „
„ 11. Knowledge of Chinese equivalents of Customs terms	20 „
„ 12. Optional: writing of Chinese characters from memory (<i>i.e.</i> , in test 2)	50 „

(b.) *Viva voce.*

Test 13. Reading aloud and translating into English of a document from Hirth-Brewitt-Taylor	50 marks.
„ 14. Reading aloud and translating into English of a previously unseen document	25 „
„ 15. Translating passages from newspapers	25 „

The examination for Certificate *A* will consist of—

I. WRITTEN DOCUMENTARY.

Test 1. Translation into English, unaided, of a previously unseen despatch	50 marks.
„ 2. Translation into English, with aid of Writer and dictionaries, of a previously unseen difficult Chinese document	50 „
„ 3. Translation into Chinese, with the aid of Writer and dictionaries, of an English document	100 „

II. *VIVA VOCE* COLLOQUIAL.

Test 4. Conversation	50 marks.
„ 5. Oral interpreting	50 „

III. *VIVA VOCE* DOCUMENTARY.

Test 6. Reading aloud and translating into English
of previously unseen Chinese documents 75 marks.

„ 7. Translation into English of newspaper
paragraphs 25 „

Certificate C will be issued to a man who obtains in his
examination—

Certificates:
minimum
marks
necessary
to gain.

60 per cent. of full marks, and

60 per cent. of full marks in conversation and oral
interpreting combined.

Note.—If the optional subject—writing of Chinese
characters—is taken up, the marks gained in it by the
examinee will be counted as extra marks. They will
be counted in his written marks, without any addition
being made to the aggregate of marks obtainable.

Certificate B will be issued to a man who obtains in his
examination—

60 per cent. of full marks in each of the two parts,
colloquial and documentary, and

60 per cent. of full marks in conversation and oral
interpreting combined.

Note.—If the optional subject—writing of Chinese
characters—is taken up, the marks gained in it by the
examinee will be counted as extra marks, without
any addition being made to the aggregate of marks
obtainable. They will be allotted either to his written
colloquial or written documentary marks, or divided
between these two divisions of the examination as is
most advantageous to the examinee. If he has failed in
both these divisions of the examination and the added
marks will only suffice to enable him to pass in one
division, they will be added to written colloquial.

Certificate A will be issued to a man who obtains in his
examination—

60 per cent. of full marks in each of the three parts—
written documentary, *viva voce* colloquial, *viva voce*
documentary.

Certificate *A** will be issued to a man who obtains in his examination—

80 per cent. of full marks in each of the three parts—written documentary, *viva voce* colloquial, *viva voce* documentary.

Note.—The written tests for the examinations for *A* and *A** are the same. *Viva voce* tests of varying difficulty are supplied to the examiner, who allots a number of marks to the examinee corresponding to the difficulty of the tests mastered by him.

Inspector-
ate ex-
aminer to
prepare a
report and
notes of the
examina-
tion, etc.

The examiner who conducts the Inspectorate *viva voce* examinations is to keep a note-book, giving full details of the examination of each Assistant. His note-book is to be supplied with an index of the names of the men examined. It is to be submitted to me by the examiner, together with a general report on the results of the examination, in which are to be embodied any suggestions he may have to make for rendering the examination more efficient and for furthering Chinese studies.

Inspector-
ate ex-
aminer's
travelling
expenses to
be paid, etc.
He may
summon
Assistants
to other
ports to be
examined.

Commissioners are authorised to pay the passage by steamer from place to place of the *viva voce* examiner, and to send to another port any Assistant whom the *viva voce* examiner wishes to examine there. The passage of such Assistants to and from the port in question, as well as half hotel expenses for each day they are unavoidably detained there, is to be paid from Service funds. Commissioners may issue to the *viva voce* examiner any advances he asks for. For all these payments the present Circular is to be quoted as authority.

Recording
of Certi-
ficates.

The date of examination for, and the fact of obtainment of, the Certificates *C*, *B*, *A* are in future to be entered on the Memoranda of Service of Assistants and in the Staff Record Books.

Examina-
tion papers:
particulars
required for
preparation
of.

Every Assistant (including those acting as Deputy Commissioners or in charge of ports) who wishes to enter for the Inspectorate examination, or whose duty it is under the rules of this Circular to enter for it, is to forward to the Inspector General, as soon as the date of the forthcoming examination is notified, a statement, in duplicate, through his Commissioner, giving the following particulars:—

- (a.) Name, rank, age, and date of joining.
- (b.) Number of years served in China.
- (c.) Number of years stationed north of Chinkiang.

- (d.) Number of months stationed at Moukden studying Chinese.
- (e.) Certificate held.
- (f.) What class of Chinese knowledge he wishes to qualify for, and, if already examined and partly passed for that class, which parts of the examination he now wishes to pass in or what other class he wishes to go up for.

Assistants wishing to go on home leave immediately after the date of the written Inspectorate examination should immediately inform their Commissioner, for report here, what route they intend to take if their leave is granted, in order to enable special arrangements to be made, if necessary, for their *viva voce* examination.

Assistants
going on
home leave.

With a view to encouragement, every Assistant is, during the first six years of service in China, to get an allowance of \$10 for every month during which he actually employs a Chinese teacher—a fact to be certified to on the receipt voucher; this allowance is to be issued quarterly.

Teachers
allowance.

Much useful information concerning the best methods of studying Chinese is to be found in Circular No. 1756, §§ 8, 9, and 12, and, with regard to the translation of English documents into Chinese, in the enclosures to Circular No. 1947.

Chinese
studies:
remarks on.

It is the Commissioner's duty to see that newly joined Assistants begin to study at once, and that juniors study regularly; to assist them with kindly advice; to watch their studies systematically; and to test, in the initial stages, their progress at intervals of about a month. They should also help Assistants starting on documentary Chinese over the initial difficulties, and read, occasionally, documents with them, written translations of which have been prepared by the Assistants concerned for the occasion. They should further see that the Chinese attainments of Assistants do not become rusty by want of use: they should give them opportunities of doing Chinese work, by affording them access to the current non-confidential Chinese correspondence, and by letting them draft Chinese documents relating to current work, pointing out any defects to the drafter, and, further, as already enjoined in Circular No. 1732, they should allow unimportant verbal business with minor officials and Weiyüan to be attended to by Assistants whenever convenient. Commissioners should also encourage Assistants to read the Customs publications in the office libraries, and recommend to them good books on China which may be

Supervision
of studies.

published hereafter. In busy ports Commissioners are authorised to delegate, by an order in the Order Book, this duty of supervision of Chinese studies to a really competent member of their staff—not necessarily the most senior one,—who should also be entrusted with the work of examination in cases where Commissioners do not do it themselves.

Teachers.

The question of teachers for junior Assistants demands some attention on the part of Commissioners, and they should be ready to give what assistance they can in procuring competent men to teach. At ports where no competent teachers are to be found, arrangements should be made by the Commissioner with the Assistants concerned for procuring, through the Chinese Secretary, the Nanking Commissioner, or other agency, competent teachers, and for the allotment of the latter's time and of the shares of the outlay involved. Study without any teacher to refer to when necessary is to be deprecated.

One private copy of this Circular is to be given to every Assistant now on the list and to those joining hereafter on arrival at their first port.

I am, etc.,

F. A. AGLEN,
Inspector General.

CIRCULAR No. 2357 (SECOND SERIES).

Examination work and valuation: periodic conferences of examination staff to secure uniformity in, proposed: views of Commissioners called for; instructions.

INSPECTORATE GENERAL OF CUSTOMS,
PEKING, 12th April 1915.

SIR,

1.—I append for your information copy of Newchwang despatches Nos. 4438 and 4555, reporting the proceedings at meetings of Examiners from the three South Manchurian ports held in March 1914 at Dairen and February 1915 at Newchwang.

2.—It had been found that though the three ports, Antung, Dairen, and Newchwang, had a similar trade, it was dealt with on divergent lines. There was such a difference in the Customs

valuation of certain commodities at the three ports that merchants, after having applied for shipment at one port, would actually in some cases withdraw the goods and send them away by train for shipment at another where more favourable valuation rates obtained. The meeting of Examiners was an attempt to remedy this state of affairs, and the experiment has been found to be productive of excellent results. The Examiners delegated to the conference made careful preparation; useful suggestions were originated, valuable work was done, and agreements as to questions of classification and value were come to with regard to a large number of commodities.

3.—These meetings of Examiners constitute a new and interesting departure in Customs practice, and the question arises how far the system may usefully be extended to other ports.* Before coming to a decision on the point, I should be glad to have the views of Commissioners at certain ports, indicated as suitable centres by geographical and other considerations, as to how far local conditions, means of communication, sufficiency and ability of staff, etc., would allow of such meetings to be held, and whether, if held, they would be likely to eventuate in such benefit to revenue and training of our examination staff as would justify the necessary expenditure.

4.—The ports which I think would naturally be the central points for this purpose are—

Tientsin.
Shanghai.

Hankow.
Amoy.

Canton.

The other ports might be grouped round them somewhat as follows:—

Tientsin	Chinwangtao.	Hankow	Chungking.	Canton	Kowloon.
	Chefoo.		Ichang.		Lappa.
	Kiaochow.		Shasi.		Kongmoon.
Shanghai	Nanking.	Hankow	Changsha.	Canton	Samshui.
	Chinkiang.		Yochow.		Wuchow.
	Soochow.		Kiukiang.		Nanning.
	Hangchow.		Wuhu.		Kiungchow.
	Kashing.	Amoy	Santuaio.		Pakhoi.
	Ningpo.		Foochow.		
	Wenchow.		Swatow.		

* The practical outcome of this innovation was the official introduction of the system of exchange between ports in specified group centres of quarterly valuation lists, the beginning of the planned training of Examiners to meet the conditions of modern trade, the assembling at each port of a comprehensive collection of samples illustrative of the trade of the port, the formation at each port of an Examiners' library of reference, and the publishing of special books for the guidance of Examiners (*vide* I.G. Cirs. Nos. 2487 and 2588, *postea*, vol. iii, pp. 294, 371). The further development of this systematic training of Examiners can be traced in I.G. Cirs. Nos. 3483, 4151, and 4477, *postea*, vol. iv.

5.—This grouping is, of course, only suggestive. Means of communication and other considerations, such as the smallness and remoteness of certain ports, might make it difficult or unnecessary for some places to be represented, while reasons of trade might in some cases require a modification of grouping. But it will serve for the present purpose, which is to elicit discussion and suggestion. The Commissioner at each of the five central ports is to enter into correspondence with the Commissioners at the ports grouped with his, and submit a report as to what he considers may best be done in this connexion.

6.—A point which strikes me is that conferences such as are here proposed involve careful preparation by the Examiners who attend them, and so may have valuable educative effects upon our Staff, apart from the general useful result to revenue of a comparison of values and classification. At Shanghai especially, with its Out-door Deputy Commissioner and Inspector of Examiners, its Piece Goods Expert, Chief Appraiser, and large staff of Chief Examiners, a gathering of Examiners from the outports would appear to be of great training value.

7.—I should like the reports from the five ports to be in my hands by the early autumn, which should allow ample time for discussion with the other ports and opportunity to all for a full expression of opinion. Details of the Manchurian meetings, and any other information in his possession on this subject, will no doubt be gladly supplied by the Newchwang Commissioner to any Commissioner who cares to apply to him.

I am, etc.,

F. A. AGLEN,

Inspector General.

ENCLOSURE.

The Newchwang Commissioner to the Inspector General.

No. 4438.

I.G.

NEWCHWANG, 25th April 1914.
1st May

SIR,

1.—With reference to the question of—

Uniform values at Manchurian ports: meeting of
Examiners at Dairen:

. . . I have now the honour to make a report upon the meeting that has been held, to enclose documents for your information, and to ask for such instructions and advice for future guidance as you may desire to issue.

2.—The meeting of Examiners took place at Dairen on the 5th March, and was continued on the 6th, 7th, and 9th days. The Dairen Commissioner's secretary, Mr. May, acted as secretary to the meeting; and I enclose a copy of the report forwarded by the Dairen office, the preparation of which must have involved considerable time and care on the part of Mr. May.

3.—The Examiners present were—

Dairen.—Messrs. Kai (Acting Tidesurveyor), Kamimura, and Nakagawa.

Antung.—Mr. Thatcher.

Newchwang.—Mr. Taylor. . . .

4.—In forwarding the report of the meeting, the Dairen Commissioner wrote: "As far as I can judge, the meeting has been certainly of great use in more than one way. Firstly, it will give a deeper interest to Examiners in their work, and, secondly, it will help to bring the standard of values more up to the true market value, leaving thus little room for complaint from merchants. I believe that such a meeting held periodically would do a great deal of good to the Service." This certainly represents the views of those who took part in the meeting and of the Commissioners concerned. . . .

5.—There came under more or less full discussion 21 articles of export and 62 of import. Uniform values were agreed upon

in the case of 14 articles of export and 15 of import. Uniform treatment of one important article of import, viz., Japanese cotton cloth, imitation native, was not secured.

6.—The discussions perhaps showed that sufficient preparation had not been made by the delegates, which was chiefly evidenced by the absence of samples and data. . . .

7.—To touch upon a few details. *Exports*.—Useful work was done in connexion with the values of waste silk and silk cocoons and of native ginseng. For the former it was evident that Antung should be the *authoritative value port*, and for the latter, Newchwang. The revenue has suffered considerably in the past owing to want of co-operation. . . .

Imports.—While some useful work has been done, I cannot but think that uniformity of value treatment in many other articles can be obtained and should be obtained. In particular, in the case of cotton articles—towellings, wadding, quilts or bed-covers, cheap cotton and woollen blankets, etc.,—chinaware and porcelain (Japanese make for the Chinese market), and such-like, by subdivision into classes, ranging between agreed-upon lengths, weights, kinds, etc., there should not be much difficulty in fixing upon uniform values; by this, of course, I do not mean that low values must necessarily be taken. Suggestions as to method of subdivision in some cases were made, but nothing was decided. Mr. Taylor tells me that he is satisfied that we are getting better values without any difficulty for many of our imports than are the other two ports, and this port naturally would hesitate to take a lower one at the expense of revenue unless clearly desirable. Apart from the question of equality of treatment to merchants for revenue purposes, it is undesirable that one port should have a higher range of values than an adjacent port. . . . In some cases higher values ranging in one port (Dairen) were adopted by the other two ports. A brief summary of the imports made for me shows—

3 Dairen values higher than Newchwang.

3 " " " " Antung.

2 Antung " " " Newchwang.

4 " " " " Dairen.

8 Newchwang values higher than Dairen.

4 " " " " Antung.

8.—

- (d.) Would it not be desirable to constitute two or three valuation centres for China—say, at Canton, Shanghai, and perhaps Tientsin,—and to have all articles, certainly in the case of imports, referred to the nearest valuation centre for an official value? This centre's value should rule at all ports within its allotted district and for a given period of time.

9.—There remains to bring to your notice the arrangements of the meeting that—

- (a.) Correspondence regarding values between ports should be encouraged.
- (b.) Values locally agreed upon should as a rule remain in force for six months, but subject to change after one month's clear notice.
- (c.) Value for silk products should be fixed fortnightly by Antung and communicated to the other ports.
- (d.) Disagreement between ports as to values was to be referred to the Inspectorate for decision.

N.B.—This action is not likely to be often taken, but only when there is a strong feeling that a change is desirable and uniformity is necessary in the treatment of some important article.

10.—Your permission is also asked to hold another meeting in February of next year, either at Dairen or here.

11.—

12.—A further reflection may be permitted: if the interchange of views upon values by representatives of three ports is proving itself beneficial to the Service and the revenue, would not the visit of an employé, well versed in values, to all ports—or, as a beginning, to those within a given area—be likely to be of greater benefit? Not necessarily with a view to correct mistakes off-hand, but to report to you what was the general condition of our value lists at the ports visited, etc.

I have, etc.,

A. H. HARRIS,

Commissioner.

The Newchwang Commissioner to the Inspector General.

No. 4555.

I.G.

NEWCHWANG, 5th March 1915.

SIR,

1.—With reference to the question of—

Uniform values at Manchurian ports: annual
meeting of Examiners:

. . . I have the honour to report as follows.

2.—The second annual meeting of Examiners was held at Newchwang on the 8th, 9th, and 10th of February. The following took part at the meeting:—

From Antung, Mr. P. H. Smith, Examiner, A.

„ Dairen, Mr. S. Kamimura, Assistant Examiner, A.

„ „ Mr. N. Nakagawa, Assistant Examiner, A.

„ Newchwang, Mr. F. J. Brumfield, Chief Examiner.

„ „ Mr. S. J. Taylor, Examiner, B.

Mr. Surplice, Chief Assistant, presided at the meetings and acted as secretary. I was present on various occasions. . . .

Full samples had been provided by each office, and much time had evidently been devoted to preparation. . . .

3.—To illustrate and express one side of the work in a statistical form, the following figures may be of interest:—

183 articles on which *ad valorem* duty is assessed were discussed.

(a.) Newchwang submitted . . Import, 59 articles.
Export, 45 „

Antung submitted Import, 47 „
Export, 9 „

Dairen submitted Import, 14 „
Export, 9 „

(b.) Newchwang values were higher
than Antung for 18 articles.

Newchwang values were higher
than Dairen „ 16 „

Antung values were higher than
Newchwang „ 14 „

Antung values were higher than

Dairen for 19 articles.

Dairen values were higher than

Newchwang „ 3 „

Dairen values were higher than

Antung „ 7 „

- (c.) Union values for 57 articles were agreed upon, involving for Newchwang a decrease in 12 and an increase in 9 articles. For Dairen, a decrease in 4 and an increase in 11 articles. For Antung, a decrease in 8 and an increase in 13 articles. . . .

4.—In enclosure 3 to my despatch No. 4438, I referred to the varying duty treatment accorded to Japanese cotton cloth, imitation native. The question was thoroughly gone into at the meeting in my presence. . . . Inquiries had shown that such ports as Shanghai, Chefoo, Tientsin were regarding this as an *unclassified ad valorem* article, and this was the unanimous view of the meeting. Mr. Brumfield proposed to assess duty at a fixed price per picul. This was at first accepted by the meeting as being the simplest procedure; subsequently, however, the Dairen Examiners said that they would prefer to work to a sliding scale, per measurement and per weight, which had been proposed by the Antung representative. This plan was equally agreeable to the meeting, and was adopted to come into force from the 1st April next. The name of this article, it was agreed, should be Japanese cotton cloth, imitation native, grey, machine-made. I trust that the arrangement come to will meet with your approval, and I would suggest that this treatment be adopted by all ports as a provisional union method.

5.—Regarding ginseng, a valuable revenue producer and one which, I fear, has not contributed its full quota to revenue owing to inexperience in handling it, an interesting conversation took place, and I promised to supply the Dairen and Antung offices with a complete sample case similar to one which we had in our sample room. This case had been prepared by Mr. Swanstrom, Chief Examiner, and added to by Mr. Brumfield. It was agreed to that, so far as possible, Newchwang values and standards would in future be adopted by the other ports. . . .

6.—Silk cocoons, wild, pierced. The value of this article last year at two ports was as low as *Tls.* 27 per picul, owing to the unhealthy rivalry and want of intercommunication that had existed.

The meeting last year raised the value to *Tls.* 30, and subsequently to *Tls.* 40 per picul. The adoption in future of Antung values for this article, agreed upon last year, was confirmed and will take effect from the opening of the season.

7.—Much good work was accomplished in other directions; I will only refer to cotton ankle bands, cotton cord, chinaware, turkish towels, cotton queue strings, and cotton thread, lace, and crochet.

8 to 10.—

11.—I trust that the work accomplished and the views put forward may meet with your appreciation and approval.

I have, etc.,

A. H. HARRIS,
Commissioner.

CIRCULAR No. 2358 (SECOND SERIES).

Chinese Domestic Loan of 1914: regulations concerning payment of interest on: instructions.

INSPECTORATE GENERAL OF CUSTOMS,
PEKING, 12th April 1915.

SIR,

With reference to Circular No. 2271:*

Chinese Domestic Loan of the Third Year of the Republic: prospectus of, and regulations *re* underwriting of:

I have now to circulate, for your information and guidance, copy of Shui-wu Ch'u despatch No. 354, forwarding the regulations concerning the payment of interest on the loan. You will observe that the Maritime Custom Houses are included in the list of establishments where interest coupons can be paid.

* *Antea*, vol. iii, p. 212.

Seeing that this is, properly speaking, banking business, and that at the majority of the treaty ports there is a branch of either the Bank of China or the Bank of Communications—the Government banks associated in the issue of the loan and specially charged with the payment of interest and repayment of capital,—it will be best for the Commissioners at those ports to leave interest payment entirely in the hands of the banks and to refer all inquiries to them.

At ports where neither of these banks has established a branch or agency, the Commissioners must be prepared to pay interest on coupons that are presented. Special instructions will, if necessary, be issued for their guidance, and, in the meanwhile, they will do well to study and familiarise themselves with the regulations. If at their port there is a resident District Magistrate (知事), they should enter into communication with him and ascertain what steps he is taking or proposes to take to carry out the Government's instructions. It is probable that he will possess information as to the amount of the loan held locally, and he may already have made arrangements to pay coupon holders through some reliable local bank. As the payments in any case will not be considerable, the Commissioner might perhaps be able to arrange with the Magistrate a joint procedure. On receipt of this Circular and after inquiry, as has been suggested, has been made, the Commissioners whom it affects are to report to me to what extent they think their offices are likely to be called upon for interest payments.

I am, etc.,

F. A. AGLEN,

Inspector General.

ENCLOSURE.

稅務處飭

爲飭知事准內國公債局函稱查民國三年內國公債六月三十日爲第二次付息之期業經本局會同財政部擬定付息施行細則分飭辦理在案查該細則第二條第三項認定各海關爲經理付息機關現距付息之期已近一切事宜亟應預爲佈置以圖進行合將該細則五十分函送查照飭知總稅務司分別轉行遵辦以符條例而利推行實爲公便等因前來相應將該細則五十分飭行總稅務司轉行各關稅務司遵照

照此飭附件 中華民國四年四月七日

SUB-ENCLOSURE.

民國三年內國公債付息施行細則

一 民國三年內國公債一切付息經理事宜均照本細則辦理

二 經理付息機關以多爲便公債局認定左列各機關爲經理付息機關

甲 各省縣知事公署

乙 各省中國交通兩銀行

照經理規則第七條內開各省會商埠如尙未設分行者可由該兩行委託妥實商號經理

丙 各海關

以上各項經理付息分機關應由內國公債局將擬定辦法函商各該主管機關直接委託辦理並將各分機關名稱以及地點開單詳報本局以便稽攷

三 每屆付息期前先由公債局將指定各經理付息機關登載京外中西各報一個月俾衆週知

四 各經理付息機關均應於門外懸貼告白一張或招牌一塊書明經理民國三年內國公債還本付息處十五字

五 凡人民每屆支取息銀時應令將到期息票持赴經理付息機關驗明後由該機關將該息票留下如數支給息銀

如係千元萬元債票其領息時將原債票持赴經理付息機關驗明如數發息持票人不得先自剪下

六

各經理付息機關支付零星之息銀須由各該財政廳酌定各縣市價折合通用大洋
如北洋江南湖北龍元大清銀幣中交兩行鈔票及洋等
 並將折合定率貼於顯明之處使取息人易見以昭公允而免紛爭

如改徵銀元省分人民以零星息票繳納錢糧者即以息票所應收之數作為大洋繳納不得再行折合銀兩或制錢之價

七

民國三年內國公債票及息票遺失之時持票人除遵照內國公債經理規則第八條辦理外並應一面函報內國公債局備案以便轉知各經理付息機關停止發付本息惟此項遺失之票在每屆付息期前兩個月以前呈報者其本期息票方能准予一併註失如在每屆付息期前兩個月以內呈報者距發息之期不遠本局不及通告則本期息票不能准予註失以防流弊

八

每屆應付息銀由會計協理按照下開各經理付息之主管機關與公債局酌量支配一面將配定各數目開單送局備查

甲 各省財政廳

乙 北京中國交通兩銀行總管理處

丙 總稅務司

九

每屆付息之前由內國公債局擬定簡明經理付息表式一種并加具說明函送各經理付息主管機關照式代刷分發各該所屬分機關將每日付息之日期息票之號數及其種類之張數金額詳細登載照填兩分連

同所收息票於每月上中下三旬按旬呈報該主管機關其填載之方法由局填就樣本一張附送並刊入公報以爲格式(附經理付息表樣本一紙)

前項付息表之印刷費若干卽由各經理付息主管機關暫墊詳報本局撥還

十 各主管機關應將所屬分機關每旬送到付息表二分卽以一分留存備查一分連同息票備文彙送公債局

十一 各經理付息機關派員承辦付息之事應給以千分之二五之經手費

十二 各經理付息機關付息時須於息票上英文方面下邊左角空白處加蓋本機關收回戳記一顆並填明年月日字樣此項木戳由公債局擬定大小式樣函送各經理付息主管機關轉發所屬分機關照式刊用以昭一律(附木戳式樣一紙)

十三 各經理付息機關每旬呈送付息表應將收回之息票種類分釘成帙(每種每帙以五十張爲限其釘法以漢文爲正面至其息票上之號數及息銀數目與背面英文之收回戳記慎勿釘入致難於核對)一併繳由各該主管機關彙送公債局對號銷燬

十四 各經理付息機關應得之經手費由各該主管機關每月代爲結算一次開單送局以憑核發

十五 各種息票式樣由公債局先期分送各主管機關轉發各所屬分機關以憑攷證

十六 本細則未盡事宜財政部公債局得隨時增改通飭各主管機關辦理

CIRCULAR No. 2385 (SECOND SERIES).

Maritime and Native Custom Houses: terms *hai-kuan* and *ch'ang-kuan* always to be used for.

INSPECTORATE GENERAL OF CUSTOMS,
PEKING, 8th July 1915.

SIR,

In the report submitting the Index of Maritime and Native Custom Houses, sub-offices, etc., compiled by the Shui-wu Ch'u, to the President, the Board proposed that in all official documents the terms 洋關 and 新關 be no longer used for Maritime Custom Houses (海關), that all Native Custom Houses be in future called 常關, and that in all official documents the terms 鈔關, 戶關, etc., be no longer used in its stead.

These proposals, having been approved by the President, are to be given effect to, beginning with the reports and returns made out for the June quarter of the present year.

The Shui-wu Ch'u's report to the President referred to above will be found printed as a preface to the Board's Index of Maritime and Native Custom Houses. This Index was forwarded to you under cover of Circular No. 2377.

I am, etc.,

F. A. AGLEN,
Inspector General.

CIRCULAR No. 2396 (SECOND SERIES).

Native Customs offices are to sell revenue stamps: instructions.

INSPECTORATE GENERAL OF CUSTOMS,
PEKING, *2nd August 1915.*

SIR,

- 1.—With reference to previous Circulars concerning:
Revenue stamps:

I have now to circulate, for your information and guidance, copy of Shui-wu Ch'u despatch No. 754, from which you will see that the Native Customs offices are amongst the agencies appointed by the Government for the sale of revenue stamps, and that I am directed to instruct Commissioners in charge of Native Customs offices to give effect to these instructions.

2.—The Commissioners concerned are to apply to the Superintendent for a supply of revenue stamps and for a copy of the rules concerning their sale, and are to notify the public that under instructions from the Ministry of Finance, transmitted by the Shui-wu Ch'u through me, the stamps are for sale at our various Native Customs offices.

3.—When applying to the Superintendent for the stamps, Commissioners are to inform him that as the sale of stamps will result in increase of work, and as this additional work is not that for which our Native Customs grant is issued, it will be necessary to appropriate 10 per cent. of the gross amount realised by the sale of revenue stamps, on the same principle that we receive one-tenth of the Native Customs revenue for cost of collection. The money thus appropriated is to be credited to Account *N* under II. Ordinary: B. Unclassed. These instructions are to be credited out by all Commissioners, including those who have hitherto undertaken the sale of revenue stamps without charge.

4.—It must be left to the public to buy stamps from your offices or not as it chooses. You are not to insist that stamps should be affixed to Customs documents until you receive definite instructions from me saying that this is to be done.

I am, etc.,

F. A. AGLEN,
Inspector General.

ENCLOSURE.

稅務處飭

爲飭知事准財政部咨據津海關監督詳稱前奉頒發各種印花稅票並發行印花細則遵卽查照細則第二條內開兼管之常關及外口局卡認爲支發行所受海關監督之指揮監督等因經將奉發印花稅票按數分配發交五十里外常關各稅局並函送常關華副稅司轉發五十里內各局分別銷售嗣因未准該稅司具報銷售數目迭經函詢茲准函復以未奉總稅務司飭知未便辦理並將印花送還核與細則第二條規定辦法不合應請咨明稅務處轉飭總稅務司飭行常關副稅司遵辦等情查常關各局卡應認爲印花稅票支發行所早經明白規定所有津海關兼管五十里內常關各局自應一律遵辦應咨請查照飭行總稅務司轉飭遵照等因前來本處查發行印花稅票前由部規定細則業經定明常關各局卡應認爲支發行所所有各海關兼管五十里內之常關各局卡自應按則一體遵辦以資推廣而裨國課除咨復並分行外相應飭行總稅務司通飭各關稅務司遵照辦理此飭

中華民國四年七月二十七日

CIRCULAR No. 2397 (SECOND SERIES).

Parcels from an inland place to an inland place *via* two treaty ports are liable to export and coast trade duties; but where they are passed free by port practice, practice is not to be changed without authority.

INSPECTORATE GENERAL OF CUSTOMS,
PEKING, 2nd August 1915.

SIR,

Circular No. 1073, § (d.), lays down that:

Parcels from an inland office to another inland office, even though passing *en route* a treaty port, are free from duty.

That no Maritime Customs duty is due on goods that pass through only one treaty port is evident; but it is equally clear that if goods pass through two treaty ports, export and coast trade duties are, properly speaking, due on them.

Circular No. 2135 was issued in order to ascertain the actual practice at the various ports with regard to the duty treatment of parcels passing through treaty ports from one inland place to another, and to find out how much the revenue is losing by the remission of duties that might properly be collected on such parcels.

The replies to that Circular show that the great majority of ports have interpreted the instructions of Circular No. 1073 to mean that parcels from an inland place to an inland place are to be passed free of duty whether they pass through one treaty port or several.

From the copies of the Chinese correspondence appended you will see that this interpretation is incorrect. The Shui-wu Ch'u lays down that parcels from an inland place to an inland place *via* two or more treaty ports are liable to export and coast trade duty; but that, in view of the difficulties in the way of collecting such duties, actual collection may be waived for the present.

No change is therefore to be made in your present practice with regard to the duty treatment of postal parcels passing through your port from one inland place to another unless you receive special instructions from me on the subject.

I am, etc.,

F. A. AGLEN,
Inspector General.

ENCLOSURE.

稅務處飭

爲飭知事案查製織花邊髮網所需之棉綫頭髮由烟台經青島郵寄內地東海關稅務司請減輕關稅一事曾經本處以稅法所關能否照准應由總稅務司妥議詳復飭知遵照在案茲據詳稱查郵局遞寄貨物分國內包裹國外包裹其國外包裹不論內係土貨或洋貨如由通商口岸運寄第二口時照章應完出口正稅一道復進口稅一道與輪船載運土貨辦法相同若由第二口岸運寄內地則應再完半稅一道以抵沿途釐金其由通商口岸不經第二口即行逕寄內地者則只完半稅一道以抵釐金所有此項由東海郵經青島轉寄內地之棉線頭髮等國內包裹其稅項從前均係按照上列經過兩次口岸之辦法徵收至此案現在情形於未奉鈞飭以前已據東海關稅務司詳請到京當經飭以現在青島中國海關既已暫撤所有由烟台郵經青島轉寄內地之貨應與不經第二口岸逕寄內地者一律看待只徵半稅一道以抵釐金等語飭行遵辦如膠關嗣後重行開辦在總稅務司之意以爲上項郵經青島轉寄內地之棉線頭髮等貨仍應照從前辦法徵稅緣此等生貨材料價值本微應完之稅亦屬甚少如此徵稅於商業初無所損自未便因此一項貿易致將各口對於由郵局自此口運寄彼口轉入內地各貨之普通徵

稅辦法向來視與輪運貨物相同者遽予變更至近來郵寄貨物徵稅之問題解決本極棘手而此棘手之中更有一項尤難解決之問題即係郵局由內地寄往第一口岸或第二口岸轉寄內地貨物應按如何徵稅之辦法查郵政開辦伊始因爲擴充郵寄包裹起見所以訂爲郵包由內地轉內地之稅項概予免徵目前仍係照此辦理惟近來郵政日見推廣所寄包件年多一年其由郵局包寄綢貨者爲數尤夥即按前年而論所有前項郵包由內地轉寄內地應完之稅款其數約在三四萬金竊以嗣後此項郵包如寄經第一第二兩口岸若亦視同輪船所運貨物自應照徵出口暨復進口稅各一道以歸劃一但如照此規定其完納稅款之責任究未知應屬何人蓋此項包件除郵局經手外並無第二經手之人所有此項稅銀究竟可否先由郵局照完俟該包送交收件人時再由郵局向其照數取償之處實非總稅務司所能自定詳請鑒核等因前來查花邊髮網前經本處呈准無論運銷何處所有出口正稅復進口半稅暫行免徵此外所徵稅項不在呈請應免之列者自應照常徵收今製織花邊所需之外洋材料棉線與髮網所需之頭髮由外洋劈開染洗運回中國自烟台經青島轉寄內地照郵寄包件應完稅項若亦一併豁免不特與呈請免稅之案未符且此端一開各處郵寄內地物件必致紛紛援引概行要免誠如總稅務司

所云以一宗貿易而牽動全局實於稅課前途不無影響況此項生貨材料價值甚微完稅亦屬有限又有特別准免製成物品之正半兩稅成本減輕足以促其發達要在該商業乘此時機力求進取不能專恃免稅之一途本處綜理權政對於商情稅課不得不兼籌並顧所請礙難照准至郵包由內地經第一或第二口岸轉寄內地貨物從前暫行免稅者係因郵政創辦伊始藉廣招徠現在逐漸加增幾遍全國自應照章徵稅惟應如何徵收並能否先由郵局代完再向收件人索回之處除咨商交通部俟得復後再行飭知外相應飭知總稅務司轉飭遵照辦理此

飭中華民國四年三月二十三日

樂字第二九九號

總稅務司詳 稅務處

詳爲郵寄包裹由內地運經第一第二兩口岸再行轉寄內地似應定爲應行徵稅事案查郵包徵稅問題前於元字第七一號詳文內曾經聲明由此處內地運寄彼處內地經過第一第二兩口岸之郵包按照海關向章本應與由通商此口運往通商彼口之普通貨物一律照徵出口暨復進口兩稅等情在案但現在海關對於前項郵包仍

准免稅放行夷考此項辦法之由來係根據於前任總稅務司赫一千七十三號之通劄內丁款所列郵包由此處內地運往彼處內地雖係經過通商口岸亦應免稅放行之規定惟細繹此項規定所謂經過通商口岸者究係專指第一口岸而言抑係包括第二口岸在內語意籠統界限並未分明竊以如將郵包與普通貨物彼此相衡普通貨物由內地運往通商口岸再由通商口岸轉運內地者沿途均係經過內地釐卡並不經過海關自不應完海關稅款由此以推郵包由內地運寄內地只經過第一通商口岸者海關自亦不應徵稅惟普通貨物由內地運往通商第一口岸再由第一口運往第二口轉運內地者除在內地江河用民船裝運之貨不計外凡用輪船裝運者照章應完出口暨復進口稅各一道照此而論郵包由內地運寄內地兩次經過通商口岸者似亦應完出口暨復進口兩稅第向來各關對於由內地寄內地兩次經過通商口岸之郵包除甌海一關外餘均准予免稅放行至於甌海一關向來遇有由內地經過第一口岸運至温州爲轉入內地之郵包卽令其照完出口暨復進口兩稅但其稅不在温州完納係於該包運到指寄地方由該地接收之郵局飭令收件人將稅數交局代收再由該局將稅款寄交温州郵局送請甌關收款如遇有甌關欲行查驗必須開拆原包者則由該關知會温州郵局由温州函知該包

指寄地方之郵局轉令收件人或親到溫州或遣人前往溫州拆包以憑查驗竊謂此等辦法手續太繁若處於衝要繁盛地方郵件或多路途或遠其勢實難辦到現在蒙自關又發生郵包完稅爭執之案此案據該關稅務司詳稱現有郵包由雲南內地寄經本關運往通商第二口轉寄內地當經令其完納出口暨復進口兩稅而該局郵務長不以爲然謂應免稅究竟兩方所執理由孰爲正當等語詳請核示到京總稅務司查從前郵包免稅章程規定實欠清晰若按情理而論此項由內地運寄內地兩次經過通商口岸之郵包似應徵稅但如欲實行徵稅又有許多費手不便之處所以未敢擅專現經反覆籌思以爲此項由內地運內地兩次經過通商口岸之郵包似當定爲應行徵稅惟目前可以暫緩施行一俟總司署郵局兩方面將如何徵稅辦法規定妥協再爲詳請核准實行照辦是
否有當理合備文卽請

鑒核酌奪示復施行可也謹詳 中華民國四年五月二十六日

稅務處飭

爲飭行事案查郵局遞寄貨物包裹納稅辦法前經本處以嗣後凡由內地經過通商口岸再轉入內地郵包均應照章徵稅於本年三月二十四日咨請交通部飭遵並於樂字二百九十九號飭文行知總稅務司各在案茲據總稅務司詳稱從前郵政免稅章程規定實欠清晰若按情理而論此項由內地運內地兩次經過通商口岸之郵包當定爲應行徵稅俟總司署郵局兩方面將如何徵稅辦法規定妥協再爲詳請核准實行等因前來本處查總稅務司請將郵包由內地寄經通商口岸再轉入內地徵稅辦法先由稅司郵局兩方協定再請核准施行係爲籌畫周密起見應准照辦除咨行交通部查照飭遵外相應飭行總稅務司查照辦理並詳復可也此飭

中華民國四年六月

七日

SEMI-OFFICIAL CIRCULAR No. 17.

European war: the placing of Customs officers of German or Austrian nationality on duty on board British vessels in Chinese ports.

INSPECTORATE GENERAL OF CUSTOMS,
PEKING, *2nd August 1915.*

SIR,

I append, for your information and guidance, copy of some correspondence concerning the placing of Customs officers of German and Austrian nationality on board British vessels in Chinese ports. The question has been raised at more than one port, and, as feeling engendered by the European war grows stronger, it tends to become more acute. It is one which, if brought to an issue, will be likely to cause embarrassment to both the Chinese and British Governments, and you are therefore to do your best so to dispose of the staff under your orders that the raising of the question in an acute form may be avoided. At the same time you are to remember that China has, by treaty, the right to place Customs officers, irrespective of their nationality, on board vessels in Chinese ports, and that, without prejudicing this right, we cannot, by acquiescence, admit the right of ships' officers to order or turn Customs officers, possessing the necessary authority, off their ships.

When a Customs officer is ordered by a captain or chief officer to leave the ship to which he has been posted, he is to request that the order may be communicated to him in writing. He is then to leave the vessel, first informing the captain that he does so under protest, and is immediately to communicate with the Tidesurveyor for the Commissioner's information. Meanwhile, pending such arrangement as the Commissioner may see fit to make with the firm to which the vessel is consigned, the working of the vessel, if she is working cargo, is to be suspended. You will take the opportunity, which such a case may give you, to point out to steamer agents that it is not right for captains to order Customs officers off their vessels, but that their proper course, if the officer's presence on board is objected to, is to communicate at once with their agents and leave them to make whatever representations are called for.

I am, etc.,

F. A. AGLLEN,
Inspector General.

ENCLOSURE.

(1.) *The Kiungchow Commissioner to the Inspector General.*

S/O No. 68.

KIUNGCHOW, 19th October 1914.

DEAR MR. AGLEN,

On the 10th the British Consul wrote me that he had received instructions from H.B.M.'s Minister to the effect that no enemy subject is to be allowed on board British ships, and the Consul asked to be informed to what extent this prohibition applied to officers of the Chinese Customs boarding British ships in the course of their official duties; pending a reply, he requested me not to send a German officer on board a British ship. I wired you accordingly, and am sorry that my wire should have left you in doubt as to which Consul I referred to. On the 18th I received a further communication from Mr. Toller, stating that, for the present, the prohibition did not apply to servants of the Customs going on board British vessels strictly in the course of their official duties.

Having heard, however, that British ship officers resent the presence of Germans on board their vessels, I am, in accordance with your telegraphic instructions, temporarily withdrawing men of German nationality from duty on such vessels.

Yours, etc.,

S. HANISCH.

(2.) *The Inspector General to the Kiungchow Commissioner.*

S/O.

PEKING, 3rd November 1914.

DEAR MR. HANISCH,

I have duly received your S/O No. 68 of 19th October:

British Consul's query *re* German Customs officers on duty on British vessels.

I am glad the British authorities have not pressed this, as it would raise for China a rather serious question. Meanwhile it will be best

while feeling runs so high not to send German officers on board British vessels. See that the correspondence is recorded officially in case it may be wanted.

Yours, etc.,

F. A. AGLEN.

(3.) *The Canton Commissioner to the Inspector General.*

No. 9764.

I.G.

CANTON, 21st June 1915.

SIR,

I have the honour to enclose copy of a letter received to-day from the master of the British steamer *Honam*, setting forth his objections to the presence on board his ship of Customs officers of German nationality, and of my reply, in which I simply acknowledge receipt of his letter and assure him that the subject of his letter will receive full consideration.

I do not propose to give any further assurances, or to make any further reply to Captain Smith's letter, until I shall have received your instructions as to the treatment of a question which may be, and probably has been, raised at other ports and calls for uniform action. I have, however, given instructions verbally that, so far as possible, German and Austrian officers are to be assigned to neutral ships when each day's arrangement of duty is made; this to be done without advertisement or mention of any particular reason therefor.

I have, etc.,

H. F. MERRILL,

Commissioner.

SUB-ENCLOSURE No. 1.

The Captain, s.s. "Honam," to the Canton Commissioner.

CANTON, 19th June 1915.

SIR,

I wish respectfully to point out that the presence of Customs officers of German nationality on board this ship is most obnoxious to myself and the British members of the crew, as, owing to the dastardly methods of warfare adopted by their countrymen, we can no longer consider them as honourable foes.

I quite understand that foreign members of the Staff of the Chinese Maritime Customs are in the service of a neutral country, but individuals who are entitled to extraterritorial rights do not lose their nationality, and consequently a German or Austrian subject in the service of the Chinese Maritime Customs is as much an alien enemy as if he was resident in his own country.

There is also a proclamation issued by the British Foreign Office that no alien enemy shall be allowed on a British ship.

In discussing this matter with the principal of one of the leading legal firms in Hongkong, he gave it as his opinion that I was committing a grave offence against the common law of Great Britain by allowing a German or Austrian subject to board the ship in any capacity. This opinion has been endorsed by more than one highly-placed official of Hongkong.

I now, Sir, respectfully ask you to take steps to prevent any subject of Germany or Austria serving in the Chinese Maritime Customs in Canton from boarding this ship.

I am, etc.,

S. BELL SMITH,

Master.

SUB-ENCLOSURE No. 2.

The Canton Commissioner to the Captain, s.s. "Honam."

CANTON, 21st June 1915.

DEAR SIR,

I beg to acknowledge receipt of your letter dated the 19th June—objecting to the presence of Customs officers of German nationality on board the vessel under your command,—and to say that the subject of your letter will be given full consideration.

Yours, etc.,

H. F. MERRILL,

Commissioner of Customs.

(4.) *The Inspector General to the Canton Commissioner.*

No. 4208. Commrs.
Canton. No. 57,243.

PEKING, 3rd July 1915.

SIR,

I am directed by the Inspector General to acknowledge the receipt of your despatch No. 9764:

Reporting that you have received a protest from the master of the British s.s. *Honam* against the presence of Customs officers of German and Austrian nationality on board his vessel in view of a proclamation issued by the British Foreign Office in this connexion, and asking for instructions on this point:

and, in reply, to say that a similar question arose at Kiungchow in October last, as you will see from the enclosed copy of the semi-official correspondence, which is sent for your information and guidance. Feeling has undoubtedly become intensified since, and it is possible that the British Legation may have modified its

attitude; but as the raising of such questions will undoubtedly prove embarrassing to all concerned, you are to do what is possible to avoid them in arranging for the duties of your foreign staff.

I am, etc.,

C. A. V. BOWRA,
Chief Secretary.

(5.) *The Imperial Merchant Service Guild to the Inspector General.*

CANTON, 10th July 1915.

SIR,

As Honorary Agent for the Imperial Merchant Service Guild, I have been asked by the shipmasters whose names are appended to the enclosed petition to forward the same to you.

Trusting this will meet with your approval,

I have, etc.,

Hon. Agent,
Imperial Merchant Service Guild.

SUB-ENCLOSURE.

THE HUMBLE PETITION OF THE UNDERSIGNED MASTERS OF BRITISH STEAMSHIPS

SHOWETH AS FOLLOWS:—

1.—Your petitioners are all masters of British steamships trading in waters in Southern China.

2.—There are in the employ of the Chinese Maritime Customs a number of men of German and Austrian nationality, as also others of British and friendly nationality.

3.—It has been held in the year 1888 by the Judicial Committee of the Privy Council in the case of *Abd-ul-messih v.*

Parra that persons who are entitled to extraterritorial rights and privileges, such as British and Germans resident in China, "continue to preserve their nationality, and their civil and political rights just as if they had never ceased to have their residence and domicile in their own country," and it has recently been held by the Judge of the Prize Court at Alexandria that no domicile of any kind in China can be acquired by a German subject resident in such country, but that he is as much an alien enemy as if he were resident and domiciled in his own country.

4.—It has also been recently held by the President of the Probate, Divorce, and Admiralty Division of the Supreme Court of Judicature in England, in the case of *The Panariellos*, that it is not merely commercial intercourse, but all intercourse, with an alien enemy that is forbidden by the common law.

5.—Your petitioners therefore realise that all intercourse of any kind between themselves, or between British subjects in their employ, or over whom they have authority, and persons resident in China, who are subjects of Germany or Austria, is forbidden by the common law of England, such persons being alien enemies; and that by indulging in or permitting any such intercourse your petitioners would be committing a grave offence against the common law.

6.—In Canton, in ports of the West River, and in other ports in Southern China, your petitioners' ships are frequently visited by Customs officials of German or Austrian nationality for purposes of inspection, when intercourse with such alien enemies by British subjects employed in your petitioners' ships respectively is practically unavoidable.

7.—The visiting on board British ships of such alien enemies is not only contrary to the law of Great Britain but is also most obnoxious to your petitioners and to other British subjects employed in their ships, and your petitioners fear that trouble will arise if such visits are continued.

Your petitioners therefore humbly pray that you will be pleased to direct the several Commissioners and Deputy Commissioners stationed in ports in Southern China to take steps to prevent any person in the employ of the Chinese Maritime Customs who is of German or Austrian nationality from boarding a British steamship. And your petitioners will ever pray, etc.

Dated this tenth day of July 1915.

43 Signatures.

(6.) *The Inspector General to the Imperial Merchant Service Guild.*

No. 3600.

General.

PEKING, 24th July 1915.

SIR,

I am directed by the Inspector General of Customs to acknowledge the receipt of your communication of 10th July:

Forwarding a petition signed by the masters of certain British vessels trading to Canton, asking that steps be taken in view of the state of war existing in Europe to detail only Customs officers of nationality other than German and Austrian for duty on board British vessels:

and, in reply, to say that the Chinese Government has the right by treaty to place Customs officers irrespective of nationality on British ships in Chinese ports, and that the Inspector General regrets that he is unable to issue instructions in the sense desired.

In the present circumstances Commissioners of Customs do what is possible to avoid placing German and Austrian officers on duty where their presence is obnoxious or resented, but it may happen that no other course is possible if delay to the vessel is to be avoided.

The Inspector General quite understands the personal responsibility which the captains feel in this connexion, but thinks that it is a matter which they might safely leave to their own proper authorities.

I have, etc.,

E. O. REIS,

Audit Secretary,

For Chief Secretary.

CIRCULAR No. 2407 (SECOND SERIES).

**Kiaochow Customs: reopening of office on 1st September 1915:
copy of Agreement with Japanese Minister *re*,
forwarding; I.G.'s instructions.**

INSPECTORATE GENERAL OF CUSTOMS,
PEKING, 14th August 1915.

SIR,

I enclose, for your information and guidance, copy of an Agreement for the reopening of the Maritime Customs office at Tsingtau signed by the Japanese Minister and myself on the 6th August.

The office, as you know, was closed as a result of the military occupation of the German Leased Territory by Japan.*

Arrangements are being made to reopen on the 1st September, and the Commissioner of Customs will be Mr. M. Tachibana.

On and after the above date you will treat cargo to and from Tsingtau on precisely the same lines as before the closing of the office, issuing and calling for the necessary Customs documents.

I also enclose for record copy of correspondence with the Shui-wu Ch'u in connexion with the recent negotiations and a Chinese version of the Agreement. You will note that it is the English text that is to rule as the authentic version.

I am, etc.,

F. A. AGLEN,
Inspector General.

* The Japanese entered into occupation of Tsingtao on the 16th November 1914, and from that date until the 1st September 1915 conducted the Customs with a staff appointed by the Japanese military authorities, independently of the Inspectorate. From the latter date until 1922 the Inspector General's right of appointment was restricted to Service employees of Japanese nationality only. Upon the rendition of Tsingtao to the Chinese Government by agreement of the 1st December 1922 freedom of the right of appointment of employees of any nationality was restored to the Inspectorate.

ENCLOSURE No. 1.

AGREEMENT ABOUT THE REOPENING OF THE OFFICE OF THE CHINESE MARITIME CUSTOMS AT TSING-TAU AND ITS FUNCTIONING IN THE TERRITORY LEASED TO GERMANY AND NOW, IN CONSEQUENCE OF THE GERMAN-JAPANESE WAR, UNDER THE MILITARY GOVERNMENT OF JAPAN.

1.—It is hereby agreed that the office of the Chinese Maritime Customs shall be reopened at Tsingtau.

2.—The Agreement about the establishment of a Maritime Customs office at Tsingtau signed at Peking on the 17th April 1899 by the German and Chinese representatives for their respective Governments and the Amendment to the same signed similarly at Peking by the German and Chinese representatives on the 1st December 1905, with replacement of the term "German" by "Japanese" wherever the principle of this Agreement demands such change, shall be held operative between the Governments of China and Japan in regard to the reopening of the Chinese Maritime Customs office at Tsingtau and in regard to its regulations and procedure.

3.—The Chinese Maritime Customs archives, Service moneys, and all Service property formerly under the control of the Inspector General of Customs, which were taken custody of by the Japanese Military Authorities at the time of occupation, shall be returned to the Inspector General.

4.—After deducting 20 per cent. of the net import duties as provided for in the German Amended Agreement of 1905 the Japanese Government shall hand to the Inspector General the balance of the Customs revenues collected at Tsingtau by the Japanese Authorities to date of reopening the Maritime Customs office.

L.S.

E. HIOKI,
Minister of Japan.

L.S.

F. A. AGLEN,
Inspector General of Customs.

Signed and sealed at Peking the 6th August 1915.

ENCLOSURE No. 2.

稅務處飭

爲飭知事准外交部函稱青島稅關一案茲准日使而稱日政府現願繼續前議商議交回中國管理辦法並請援照前此德館與總稅務司直接商辦之例請中政府委任現總稅務司以與日使署直接商辦之權等語應函達查照希飭總稅司前赴日使館按照中德會訂青島稅關辦法妥商接收辦法並將商辦情形隨時聲復本部以資接洽等因前來查膠海關交回中國管理問題日本政府既願繼續商議應由總稅務司迅將接收手續及徵稅章程按照從前中德會訂辦法與日本公使妥爲商議並須聲明此次會議之件只於歐戰期內暫時適用庶免日後轆轤所有以上暫行辦法一俟會商妥協當即詳候核定再行飭知簽押實行倘於會議進行之時遇有窒礙情形仍應隨時詳請核示以昭慎重相應飭行總稅務司查照辦理可也此飭

中華民國四年七月八日

樂字第六八六號

節略

總稅務司於今早十一時按照預定時間往見日本公使開議之時即聲明現奉令飭一爲依照德國關於青島各條約內所定之辦法商議再行開辦膠海關一係現所欲訂之辦法作爲暫行試辦在歐戰未終以前

此辦法可有效力云云經日本公使答以總稅務司第一項聲明本公使奉政府令飭亦與此同意惟第二項聲明之試辦一節本公使奉令要求現所欲訂之辦法直至歐戰既終以後亦有效力設日後日本將青島租借地交還中國後仍有效力云云當由總稅務司聲明此項要求在奉令商議各事範圍之外總稅務司之意以爲設日本堅執此要求則此次商議之事必將歸於烏有遂即雙方商定由總稅務司將此要求向中國政府聲明俟奉有回飭即行轉致稅務處飭

爲飭知事關於接收青島稅關一事本日據總稅務司將遵照本處樂字第六八六號飭文內所聲明各節與日本公使會議情形開具節略面陳前來本處業已閱悉現奉政府命令所有此次會議接收膠關辦法仍祇能按照本處樂字六八六號飭文所定辦法辦理相應飭知總稅務司查照再與日本公使磋商可也此飭

中華民國四年七月九日

樂字第六九八號

總稅務司詳 稅務處

詳爲瀝陳會議接收膠關情形合同現已簽字謹將所擬膠關開辦日期暨所調稅務司各員詳請鈞鑒事案奉樂字第六八六號

飭以准外交部函稱青島稅關一案茲准日使面稱日政府現願繼續前議商議交回中國管理辦法並請援照前此德館與總稅務司直接商辦之例請中政府委任現總稅務司以與日使署直接商辦之權等語應函達查照希飭總稅司前赴日使署按照中德會訂青島稅關辦法妥商接收辦法並將商辦情形隨時聲復本部以資接洽等因前來查膠海關交回中國管理問題日本政府既願繼續商議應由總稅務司迅將接收手續及徵稅章程按照從前中德會訂辦法與日本公使妥為商議並須聲明此次會議之件只於歐戰期內暫時適用庶免日後膠轕所有以上暫行辦法一俟會商妥協當即詳候核定再行飭知簽押實行倘於會議進行之時遇有窒礙情形仍應隨時詳請核示以昭慎重相應飭行總稅務司查照辦理等因奉此遵於七月九日前往日本使館與日本公使開始會議經總稅務司將此次所奉中國政府命令要求各節向該使聲明該使立即答復以本公使奉令要求現所欲訂之辦法直至歐戰既終以後亦有效力設日後日本將青島租借地交還中國後仍有效力云云當由總稅務司答以貴使此項要求在總稅務司奉令商議各事範圍之外遂即雙方商定由總稅務司將此項要求向中國政府聲明等語嗣經請由

鈞處核奪旋奉樂字第六九八號

飭以所有此次會議接收膠關辦法仍祇能按照本處樂字六八六號飭文所定辦法辦理等因嗣於七月十五日

復開第二次會議經總稅務司將現在又奉中國政府命令各節向日使聲明俾其轉行日本政府知照迨於七月二十四日又開第三次會議該使則謂現在日本政府已將合同內所欲訂之辦法作爲永久辦法一節允予退讓當即雙方商議擬具合同底稿其稿內大概情形彼此均表同意但該使復要求將第一條內所列之暫行辦法一語取消總稅務司又經復以現在既奉中國政府命令訂一暫行辦法其暫行一語能否撤去自仍應請示中國政府等語嗣經秉承中國政府意旨允將第一條內暫行辦法一語撤消惟擬於合同之序言內加添暫行二字至七月二十七日又開第四次會議經總稅務司將所擬於序言內加添暫行二字辦法向該使聲明該使並未允許並據稱此次雙方會議各節本係暫行情形即閱此次合同稿內所列字樣亦足以表明係屬暫行辦法等語迨經請由政府酌度情形遂蒙諭知總稅務司對於加添暫行字樣一層亦不必堅持到底並飭令除將送呈核准底稿第一條內所列之暫行辦法一語取消外即行簽字等因遵於八月六日將此項合同雙方簽字茲擬於九月一日復行開辦膠關日本政府業經允許現已飭派大連關稅務司立花政樹日本國人爲膠海關稅務司其所遺大連關稅務司一缺即派該關頭等幫辦江原忠日本國人署理所有調派膠大兩關稅務司各節已經行知日使轉行日本政府查照日政府亦經允認除將原訂合同英文各抄兩份以英文爲主件附請分別存送外理合備文復請

CIRCULAR No. 2431 (SECOND SERIES).

**Conservancy matters at ports: status of Commissioners *in re*;
instructions. Harbour conservancy: Customs jurisdiction;
further instructions.**

INSPECTORATE GENERAL OF CUSTOMS,
PEKING, 26th October 1915.

SIR,

As you are aware, river conservancy and harbour improvement are now claiming more attention than they did in the past, and the tendency is for such works to be undertaken by mixed Chinese and foreign commissions with funds for construction and maintenance derived from special taxes on trade and shipping.*

In all such undertakings the Commissioner of Customs of the port is intimately concerned, both in his capacity as foreign head of the revenue-collecting administration and also as representing the harbour authority, the Harbour Master being his Service subordinate. Whatever may be the constitution of the commission or board, as the result of international agreement, it is the invariable practice for the Commissioner of Customs of the port to be *ex officio* a member of it. The Inspector General himself does not directly handle such matters, but, through his representative and subordinate the Commissioner, he is kept sufficiently in touch with what is done, and, both in the initiatory stages and subsequent developments, he is able, owing to his relations with the Chinese Government, to give assistance and advice should they be called for.

While it is obviously in general interests that the port Commissioner should participate actively in undertakings of the kind, there is also a special Service reason why it is desirable that he should be associated with them. For ultimately, whether the object be river conservancy, harbour improvement, or the keeping of a port open to navigation by means of ice-breakers, a point is reached where such undertakings come into contact with the Customs Administration and demand control or co-operation in one form or another. Thus river conservancy work may necessitate special measures for the control of shipping and regulation of traffic; harbour improvement may raise questions of aids to navigation,

* For some account of Customs co-operation in harbour improvement and river conservancy works, *vide postea*, vol. vii.

temporary or permanent; and ice-breaking calls for co-ordination between the ice-breaking *personnel* and the harbour authorities, if shipping is to be kept fully informed and enabled safely to use to the fullest extent the opportunities offered. Sooner or later matters which concern directly the Marine Department of the Service will come up for consideration and treatment. It is therefore necessary that the technical heads in that department should be kept fully informed of all local conservancy or harbour improvement schemes in their initiatory stages, and more especially that before any contract is signed by a conservancy or harbour improvement commission it should be submitted to the Coast Inspector and Engineer-in-Chief for criticism. And it will be the duty of the Commissioner to see that any suggestions they may make with a view to safeguarding Service interests and maintaining Service authority are duly given effect to before final arrangements are concluded.

I am, etc.,

F. A. AGLEN,

Inspector General.

CIRCULAR No. 2443 (SECOND SERIES).

**Out-door Staff: increased employment of Chinese Tidewaiters;
scheme of pay, etc.**

INSPECTORATE GENERAL OF CUSTOMS,

PEKING, 24th November 1915.

SIR,

1.—The departure of so many foreign Out-door Staff employes on military service has seriously denuded the ranks of that department, and the political situation makes it increasingly difficult to maintain the Staff at its due strength by the engagement of suitable foreign recruits. In these circumstances I have decided—as an experiment—to give more definite effect to suggestions that have been often repeated (*see* Circular No. 1415) for the increased

employment of Chinese as Customs Tidewaiters.* That the few steps which have been taken in this direction in the past have not proved entirely satisfactory has probably been due in a measure to their very tentative nature: as no lines have been laid down for the subsequent Service career of the men engaged, Commissioners have been uncertain from what class they should recruit, and those who would have been desirable employ  s have not felt encouraged to come forward. It is hoped that the prospects of advancement and the liberal scale of pay which it is now proposed to offer will remove this obstacle and will serve to attract men of a certain standing and of respectable attainments in both Chinese and foreign subjects of education.

2.—From the educational advantages it offers, Hongkong should at any time be a good recruiting centre, and the Kowloon Commissioner has informed me that conditions in the Colony are, in his opinion, exceptionally favourable at present for our purposes, as a number of men, who would presumably be found to possess the qualifications we require, have lately been thrown out of employment there owing to the war. As an initial step, therefore, I am now authorising him to engage a certain number of men as Probationary (Chinese) Tidewaiters and to send them to Shanghai and Canton to be trained in that capacity for a period of 12 months with pay at the rate of *Hk.Tls.* 20 a month. On the completion of this probationary period they will be available for transfer to the various ports and, it is proposed, be eligible for promotion as follows:—

Third Class (Chinese) Tidewaiters, B	. . .	<i>Hk.Tls.</i> 30
” ” ” ”	A . . .	” 40
Second ” ” ”	B . . .	” 50
” ” ” ”	A . . .	” 60
First ” ” ”	B . . .	” 70
” ” ” ”	A . . .	” 80
Senior (Chinese) Tidewaiters, B	. . . . .	” 90
” ” ” ”	A	” 100

* The growth of the Chinese Tidewaiter class was rapid. In June 1915 there were only 14 such employees, by 1918 the number had risen to 59, two years later (1920) it stood at 122, and in 1925 at 420. In June 1930 the number of Chinese Tidewaiters of all ranks was 679, and in 1937 it had risen to 1,176. So successful was the experiment that after five years' trial it was decided to place this class of employee on a permanent footing, to lay down qualification requirements, and to specify grades of promotion and pay (*vide* I.G. Cir. No. 3065, *postea*, vol. iii, p. 552). In the same year (1920) a training school for recruits was established at Shanghai (*vide* I.G. Cir. No. 3168, *postea*, vol. iii, p. 588), and placed under the superintendence of qualified foreign instructors. The work of this training school was temporarily suspended in April 1927 (*vide* I.G. Cir. No. 3762), but was resumed in October of the following year (*vide* I.G. Cir. No. 3815). On the establishment of the National Government at Nanking the recruiting and training of Chinese Tidewaiters was in 1929 taken over by the Kuan-wu Shu.

The conditions of service of the Chinese Watchers at the various ports—local employés of a lower grade not subject to transfer—are to remain as at present and will not be affected by the proposed development of a Chinese staff of Tidewaiters.

3.—The present Circular is to place on record this new departure, and further instructions will be issued in this connexion later on.

I am, etc.,

F. A. AGLEN,
Inspector General.

CIRCULAR No. 2446 (SECOND SERIES).

Medical Reports: publication by Customs discontinued.

INSPECTORATE GENERAL OF CUSTOMS,
PEKING, 7th December 1915.

SIR,

1.—In 1870 it was suggested to the late Inspector General that the number of places at which Custom Houses were situated, the hundreds of miles north and south and east and west over which they were scattered, the extremes of climate experienced, and conditions of life differing so greatly from those with which physicians were generally familiar presented a valuable opportunity for collecting through our Medical Officers particulars of local peculiarities of disease and of diseases rarely or never encountered out of China that would be both interesting and valuable to the medical profession and of benefit to the public. Circular No. 19 of 1870 instructed Commissioners to request Medical Officers to prepare each half-year ending 31st March and 31st October, that is, at the end of the winter and summer seasons, a report drawn up on lines suggested in the Circular. The response to this request resulted in a collection of papers of such value that in 1884 Surgeon-General C. A. Gordon, M.D., C.B., Honorary Physician to Her Majesty Queen Victoria, and a well-known writer on medical subjects, published a volume of more than 400 pages summarising

the reports that had appeared to that date.* In his preface he said that the manner in which the scheme had been carried out reflected the highest credit on the Customs Medical Officers, and he spoke of the great value of many of the reports and of the extent and variety of the subjects discussed. But, as the study of tropical and other diseases peculiar to the East has created an ever-growing literature on the subject, it would appear either that such Customs Medical Officers as write reports prefer, with few exceptions, some other medium of publication or that the majority find nothing of sufficient novelty to justify a paper. The result has been that the last issue of the Medical Reports, a small fascicule of about 100 pages, covered the periods from 30th September 1904 to 30th September 1910, and the Statistical Secretary is still without sufficient material for another volume. Under these circumstances I have considered it best to withdraw the Medical Reports from the advertised list of Customs publications and to cancel the instructions of Circular No. 19 of 1870 and of Circulars Nos. 526 and 610.

2.—Arrangements have been made with the editor of the "China Medical Journal" to print our Medical Reports and to supply the writer of each paper with 25 copies. The Journal is published bi-monthly and has a circulation of 750 to 800 copies. You will show this Circular to your Medical Officer and tell him that I hope he will make it convenient to send an occasional report through you to the Statistical Secretary, by whom it will be forwarded to the editor. In this way the useful work initiated by the Customs in 1870 will not suffer from the suppression of a publication for which it has been found of late years increasingly difficult to obtain material.

I am, etc.,

F. A. AGLEN,
Inspector General.

* Gordon, C. A., "Reports of the Medical Officers to the Chinese Maritime Customs Service from 1871 to 1882, with chapters on the History of Medicine in China," London, 1884.

CIRCULAR No. 2456 (SECOND SERIES).

Documents, Chinese, covering interport cargo: proposed abolition of separate documents and embodiment of fuller particulars in Chinese Cargo Certificate: Commissioners' views *in re*, called for.

INSPECTORATE GENERAL OF CUSTOMS,
PEKING, 21st December 1915.

SIR,

From time to time proposals have been submitted with a view to simplifying the procedure by which Chinese documents covering interport cargo are exchanged. It is well known that the present practice of issuing separate documents and enclosing them in a covering Chinese Cargo Certificate is a fruitful source of error and delay when large cargoes from busy centres have to be dealt with, and I think that if it can be improved upon, the moment is an opportune one for making a change. It is not desirable to alter our system whereby the work of the Custom House is done in duplicate—in English for our own purposes of control, and in Chinese for the records of the Superintendency. This system, though no doubt cumbersome, is suited to the conditions under which the Foreign Inspectorate performs its functions, and it also provides a very useful and continuous check. Briefly, the change I have in view is to cease entirely the issue of all covering documents, *e.g.*, Exemption Certificate, Duty-paid Certificate, Duty Proof, Special Exemption Certificate for factory products, etc., and to give the particulars hitherto appearing in these documents in the Chinese Cargo Certificate. With an improved form of the latter document, following closely the English Cargo Certificate at present in use, I think the change could be made without undue dislocation and with very little rearrangement of the work entrusted to Lushih. No great saving of clerical labour is perhaps to be looked for, but some saving of time in comparing the results of a vessel's transactions in English and Chinese would be effected, and there would be less liability to error and occasion for interport correspondence owing to documents going astray. As covering documents are no longer handed to shippers of cargo for transmission, the change would not affect the public in any way, and the Chinese Cargo Certificates when done with would provide the Superintendent with a more convenient record for his archives than the separate documents afford.

No change would of course be made in the interport treatment of cargo, the nature of which would be indicated in a special column of the Cargo Certificate provided, as in the English version, for the purpose.

I shall be glad to have your views on this proposal in reply to this Circular at your earliest convenience.

I am, etc.,

F. A. AGLEN,
Inspector General.

CIRCULAR No. 2464 (SECOND SERIES).

Nien-hao: current year (1916) to be styled 1st year of
Hung Hsien notifying.

INSPECTORATE GENERAL OF CUSTOMS,
PEKING, 6th January 1916.

SIR,

I have to circulate herewith, for your information and guidance, copy of Shui-wu Ch'u despatch No. 3 of this year, from which you will see that the *nien-hao* "Hung Hsien" (洪憲) has been adopted by the Government and is to take the place of the style "Chung-hua Min-kuo" on all Customs documents, the current year and month being styled 洪憲元年 - 月 ○ 日, and so on.*

I am, etc.,

F. A. AGLEN,
Inspector General.

* *Postea*, I.G. Cir. No. 2505, vol. iii, p. 303.

ENCLOSURE.

稅務處飭

爲飭行事上年十二月三十一日

政事堂奉

中令據大典籌備處奏請改元一摺明年

改爲

洪憲元年此令等因奉此除分行外相

應飭行總稅務司轉飭各關稅務司遵

照可也此飭洪憲元年一月二日

穀字第三號

CIRCULAR No. 2470 (SECOND SERIES).

Railway-borne cargo: proposed extension to native goods of procedure for conveyance of foreign goods under Exemption Certificate between treaty ports; reports called for.

INSPECTORATE GENERAL OF CUSTOMS,
PEKING, 15th January 1916.

SIR,

1.—I enclose for your information copy of Shui-wu Ch'u despatch No. 35, from which you will see that the Board and the Ministry of Finance have approved in principle of a proposal made by the Ministry of Communications to extend the present provisional arrangements whereby foreign goods may be conveyed by rail between treaty ports on the Peking-Moukden and Shanghai-Nanking Railways under Customs Exemption Certificates, so as to allow native goods to be similarly conveyed between treaty ports on the Peking-Moukden, Shanghai-Nanking, Shanghai-Hangchow, and Tientsin-Pukow Railways, and that I have been requested to draw up regulations and submit them to the Board for approval.

2.—It was to be expected that the thin end of the wedge inserted in the case of foreign goods would sooner or later open up a wider question, and the desire to place all goods carried by modern means of conveyance between treaty ports on the same footing is a natural one. The authorities concerned have, however, not allowed for certain fundamental differences between inter-treaty port rail-borne and steamer-borne trade—differences which must either be reconciled or provided for if such trade is to be adequately controlled by the Maritime Customs. On the principle that half measures are never satisfactory in practice, I have always been opposed to the extension of our activities to rail-borne traffic unless we are given fiscal control over the whole of that traffic, to the exclusion of other administrations, as is the case where railways cross the land frontiers of China. In no other way can the differences alluded to be satisfactorily reconciled.

In other words, in order to carry out the duties entrusted to us satisfactorily, we ought to have the same control over trains—*mutatis mutandis*—as we have over steamers, collecting the same duties and issuing the same covering documents in respect to cargo from one treaty port to another, and making some arrangement for collection on behalf of the provincial treasuries of duties on cargo destined for, or arriving from, intermediate stations that is not covered by Transit Pass.

3.—The views of the high authorities, as you will see, run on other lines. They desire their object to be attained with the minimum of control by us over the means of communication, supplemented by a semblance of control over the goods conveyed in the shape of regulations. I do not think that this view is likely to be overruled, and the only way of putting matters on a satisfactory footing appears to me to be in the direction of insisting on some tangible form of control over the goods conveyed by train.

My idea is to suggest that, short of being given the same control over train-borne traffic as we exercise at, say, Antung or Manchouli, we be given absolute control over cargo for which we issue documents; and, to effect this control, I think it is necessary that the railway companies be required to build, or set apart, at each of their treaty port stations, godowns for the exclusive storage of Customs documented cargo and to place these godowns under the exclusive control of the Customs much in the same way as bonded godowns are controlled; furthermore, that special wagons be set aside for the conveyance of Customs documented cargo, marked in some distinctive way and with facilities for sealing them with Customs seals. On some such foundation it would seem possible to build up a procedure that would be simple to formulate and easy to regulate and keep safe from abuse and malpractices.

At Tientsin, where, through the Native Customs administration, we already exercise some real control over train-borne goods, provision would have to be made for the collection of the Native Customs duties that will still be payable on goods forwarded under Customs documents.

Before dealing further with this important question I shall be glad to have the views of the Commissioners whose ports are affected by this new proposal.*

Nil replies to this Circular are to be sent in accordance with the provisions of Circular No. 2258.

I am, etc.,

F. A. AGLEN,
Inspector General.

* Investigation showed the inadvisability of proceeding further with this proposal, *vide postea*, I.G. Cir. No. 2531, vol. iii, p. 304.

ENCLOSURE.

稅務處飭

爲飭知事前准交通部咨稱查通商口岸輪運轉口土貨辦法凡已納進口半稅之土貨如由此口運往彼口卽憑海關派司報驗沿途概免重徵此係向來辦法惟鐵路裝運轉口土貨未嘗仿照輪運辦理以致沿途經過局卡必須完納釐金輪路辦法不同遂使此項土貨全被輪運吸收鐵路受虧不少輪路同屬運輸機關且輪船係屬商辦鐵路係屬國有似不宜彼此兩歧致有偏重然查從前滬甯路因車運轉口洋貨僅憑海關派司未能通運會由貴處核定章程由海關發給免重徵單以憑轉口今年滬杭甬路亦經本部咨准貴處允予援照滬甯成案辦理其津浦一路亦經咨准貴處核復俟此項章程由海關妥議覆核後再行該路遵辦今車運轉口土貨與車運轉口洋貨事體相同自應分別參照輪運轉口土貨與車運轉口洋貨辦法辦理凡京奉津浦滬甯滬杭甬各路所屬通商口岸如有車運轉口土貨均准憑派司報驗由海關改給免重徵單以資通運應咨商核議見復等因本處當查滬甯鐵路裝運已完進口正稅洋貨前清光緒三十四年間迭准外務部轉據英使請求發給免重徵執照當經本處札行總稅務司轉飭江海蘇州鎮江金陵等關稅務司會擬章程申由本處核定先行試辦嗣本年間滬杭甬暨津浦兩路載運前項貨物轉口先後准交通部咨請援照滬甯鐵路成案辦理亦經本處核准各在案查當時所擬車運轉口貨物章程祇係

爲洋貨一項而定其已完出口正稅及復進口半稅之土貨裝由火車轉口應否給予免重徵執照尙未議及今交通部請將車運轉口土貨參照輪運轉口土貨與車運轉口洋貨辦法辦理自係爲維持路務及利便土貨運輸起見與國課收入本無妨礙似應照允茲擬凡已完出口正稅及復進口半稅之土貨由通商口岸裝京奉及滬甯滬杭甬津浦等鐵路車輛轉運他口可在轉口之海關報驗請領免重徵執照以免再納沿途稅釐所有一切防弊事宜由總稅務司仿照各該路轉口洋貨辦法妥擬章程詳由本處核定施行其餘他路非經過兩通商口岸者卽無所謂轉口自不得援例辦理經將此意咨商財政部去後茲准咨復稱查車運轉口土貨參照輪運辦法在轉口之海關報驗請領免重徵執照一節自係爲維持路務便利土貨運輸起見本部甚表贊成至所有一切防弊事宜應由貴處飭行總稅務司妥行核議一俟總稅務司議復後並希咨抄一份過部以憑會核施行應咨查照辦理等因前來查車運轉口土貨參照輪運轉口土貨及車運轉口洋貨辦法與維持路政轉輸土貨雙方均有裨益於國家稅收亦無出入既經部處會商意見相同自可援照辦理惟一切防弊事宜應由總稅務司參酌京奉滬甯滬杭甬津浦等路轉口洋貨辦法迅卽妥擬章程詳候本處會商財政部核定再爲施行相應飭知總稅務司查照辦理可也此飭 洪憲元年一月十日

CIRCULAR No. 2471 (SECOND SERIES).

Ministry of Finance: certain statistics respecting Revenue and Service Accounts required by, to be supplied; instructions.

INSPECTORATE GENERAL OF CUSTOMS,
PEKING, 17th January 1916.

SIR,

1.—I enclose, for your information and guidance, copy of correspondence with the Shui-wu Ch'u concerning certain statistics for the year 1915, which the Ministry of Finance desires to have rendered on forms of its own devising in connexion with an inquiry into the general financial state of the country.

You will see that I took occasion to point out the difficulties in the way of giving effect to the Ministry's instructions, seeing that the *pro forma* deals with Revenue and Service moneys and calls for monthly statistics; and, further, that I suggested that the statistics desired, so far as they are ascertainable from Customs records, are already available to both Superintendents of Customs and the Ministry itself in the various carefully prepared returns and reports that have been submitted officially; finally, I represented that the end of the year, when all returns offices are busy with the preparation of the Annual Returns, was a particularly inopportune time to throw additional labour on the Customs offices. The concluding correspondence will show you that the Ministry is not unmindful of the difficulties and inconvenience to which I have alluded, but it fears that, if the returns are left entirely to the Superintendents to prepare, there will be want of uniformity and delay, more especially as at certain ports Superintendents are either not in office or have their offices situated at an inconvenient distance from the Custom House. The Ministry therefore desires that Commissioners of Customs will assist in the preparation of these tables, and I have assured the Board that they will do their best.

2.—Before you receive this Circular you will probably have been approached by the Superintendent at your port and be waiting for the instructions that I have now to give. Appended you will find specimens of the forms to be filled in. At those ports where the office of the Superintendent is situated close at hand it will be sufficient to supply him with the figures filled in on one of the forms, leaving him to prepare as many copies as he is called upon to supply. At ports where the Superintendent is not so accessible, *e.g.*, at Hunchun, Kowloon, and Lappa, and the Canton delta ports,

it will be best to fill in the figures on all the forms required by the Ministry and post them to the Superintendent to be forwarded by him. At Dairen and Kiaochow, where there are no Superintendents, the forms, supplied from this office, are to be filled in by the Commissioners, sealed and dated by them and returned to me for transmission.

3.—Particulars are required for four forms, namely, Maritime Customs quarterly statistics; Maritime Customs annual statistics; Native Customs (*intra 50 li*) quarterly statistics; and Native Customs (*intra 50 li*) annual statistics. Where possible, figures are to be given exactly as they appear in the Quarterly and Annual Returns under the respective headings. In the Maritime Customs quarterly and annual totals opium duty and likin are to be included under the heading 進口正稅. Under the heading 雜收 you are to give the quarterly and annual totals of the actual receipts in your Account *D* for the period concerned, *excluding* the Wai-chiao Pu's share of Account *B* and Account *C* moneys, and under the heading 罰款 you are to give the totals of the actual receipts in Account *B* for the period concerned.

The Kowloon and Lappa offices will include likin and chingfei in the import and export duty totals, and the Kowloon office will similarly treat the railway collection. In the forms for the Native Customs statistics you will give under the heading 正稅 the totals appearing in the Quarterly and Annual Returns as *Native Customs Revenue*; under the heading 船鈔 you will place the note "included under 正稅." The heading 雜收 is to include all receipts in Account *N* that have not been collected and returned as revenue; that is to say, the Inspector General's one-tenth, Inspectorate General grants, and special appropriations from revenue are to be *excluded*. Under the heading 罰款 you will place the note "included in 正稅."

With these explanations to guide you, and always remembering that only totals are required and that these totals must be those or combinations of those that appear in our published returns and officially rendered accounts, I trust that you will have no difficulty in filling in the forms.

I am, etc.,

F. A. AGLEN,
Inspector General.

ENCLOSURE.

稅務處飭

爲飭知事准財政部咨開我國興革伊始統計一端未可視爲緩圖茲由本部斟酌各關情形擬定各關統計調查表式共十四種並表式通則六條除通飭各關監督自民國四年按照各項表式分別年結限期填送報部並補造民國三年分年表統於翌年一月內併案填送外應檢同海關及五十里內各常關表式咨請飭行總稅務司轉飭各關稅務司遵照趕辦以憑彙編等因前來相應將原送表式五十分每分表四紙附通則六條飭行總稅務司查照迅即檢同原表轉飭各關稅務司遵照分別填註並詳復本處以憑轉送財政部彙編可也此飭附件

中華民國四年十二月十日

樂字第一三〇二號

總稅務司詳 稅務處

詳爲部頒海關及五十里內常關表式所列各款已有各稅務司按結按期清摺暨按年另造之單表以及每季暨全年之貿易清冊開列明晰毋庸另行照填以省周折事案奉樂字第一三〇二號

飭以准財政部咨開我國興革伊始統計一端未可視爲緩圖茲由本部斟酌各關情形擬定各關統計調

查表式共十四種並表式通則六條除通飭各關監督自民國四年按照各項表式分別年結限期填送報部並補造民國三年分年表統於翌年一月內併案填實外應檢同海關及五十里內各常關表式咨請飭行總稅務司轉飭各關稅務司遵照趕辦以憑彙編等因前來相應將原送表式五十分每分表四紙附通則六條飭行總稅務司查照迅即檢同原表轉飭各關稅務司遵照分別填註並詳復本處以憑轉送財政部彙編等因奉此總稅務司查部頒表式甚爲妥善惟內有數款有不得不詳爲陳明者卽如海關收入統計表內列有雜收一項海關清摺表冊內並無此項名稱難以照填又罰款一項海關所得銀數並不以稅款看待除開支外以三成提歸外交部以三成提歸監督其餘四成提歸總稅務司存儲作爲海關之公款載入四項清摺其常關罰款之淨數數列入稅款項下不另分記又海常兩關表式分別結表年表其結表內有分月計算之格海常兩關清摺表冊並無分月開具之法亦屬難以照辦統閱全表海常兩關均列有開報分關之格式向來海常兩關稅收清摺表冊均未另有分關收數之辦法所收稅款皆包括於各該關總數之內竊以爲海常兩關稅鈔數目歷由各該管稅務司按結按期具摺暨按年彙總開列單表詳細呈報並將罰款四項等數目一律另摺開呈以上各項清摺表冊除罰款外均另備有分咨財政部之全分款式既屬完善開列亦甚清晰行之有年且各摺備妥後始而由稅務司核對繼而由海關造冊處核對未復由總稅務司署核對是以舛誤之處甚尠外有造冊處所印之各關每季暨全年貿易清冊其中海常各

關稅項徵數亦逐款分別列明逕送財政部備查又各關監督手中亦有由稅務司送交之海常兩關稅鈔數目暨罰款四項等摺單以及每季暨全年之貿易清冊似可由各該監督根據稅務司所報及貿易冊所列各數填入部定表式之中報部備查現在海常各關事務在尋常時間已甚繁難況值年終尤形忙迫若再加以此項公務實屬難以負擔奉到前因理合備文復請

鈞處鑒核施行可也謹詳

中華民國四年十二月十七日

稅務處飭

爲飭知事上年十二月十七日據總稅務司詳稱以奉飭頒財政部原送海關及五十里內常關表式所列各款已有各稅務司按結按期清摺暨按年另造之原表以及每季暨全年之貿易清冊開列明晰毋庸另行照填以省周折等因當經本處據詳咨達財政部去後茲准咨復稱查部定統計表式前已通飭各關監督依限填報其原有監督各海關自可免令稅司造送惟查大連膠海龍州騰越琿春愛琿三姓滿洲里等各關或向未簡派監督或係以道尹兼管若不由稅務司彙填造報終不免嫌於掛漏卽原有監督各關其洋稅一項歷歸稅司經徵非得各該關

元字第二九三號

稅司之協助亦慮難臻詳盡似應仍由貴處飭知總稅司轉飭各關稅司分別造報或協助監督辦理以免遺誤至總稅司原詳內稱表內雜收一項海關清摺表冊并無此項名稱等語查海關四項清摺內有另款一項表列雜收即係另款收入可由各該關稅司仍照摺列各項銀數填入又海關罰款本不以稅款看待然亦關務收入之一種故統計表內特予分立一欄應仍以罰款收入全數列計稽資考核至部頒統計表式原定分月計算一格據稱海常各關清摺表冊并無分月開具之法亦未有另列分關收數一節如果各關難於照辦應准將原表變通祇填年結稅數免予分月計算以歸便利應復查照辦理等因前來查總稅務司原詳所稱海常各關事繁年終尤形忙迫若再加以此項公務難以擔負自係實情惟財政部所定各關統計調查表實爲綜核全國財政所必不可缺之手續如原咨內稱向未派有監督及或係以道尹兼管之關若不由稅務司彙填造報終不免嫌於掛漏即原有監督各關其洋稅歷歸稅司經理非得各該關稅司之協助亦慮難臻詳盡要皆爲力求完備起見至其中辦法礙難之處原咨內亦經明晰解釋並酌予變通各關稅務司當可勉爲其難俾財政統計無虞闕漏相應飭知總稅務司查照究竟能否飭下各關稅務司分別遵照此次部咨辦理之處迅即議復以憑轉咨核辦可也此飭

洪憲元年一月十二日

總稅務司詳復 稅務處

詳爲部頒海關及五十里內常關表式應卽通飭各關勉力遵行事案奉發字第四十號

飭以上年十二月十七日據總稅務司詳稱以奉飭頒財政部原送海關及五十里內常關表式所列各款已有各稅務司按結按期清摺暨按年另造之原表以及每季暨全年之貿易清冊開列明晰毋庸另行照填以省周折等因當經本處據詳咨達財政部去後茲准咨復稱查部定統計表式前已通飭各關監督依限填報其原有監督各海關自可免令稅司造送惟查大連膠海龍州騰越琿春愛琿三姓滿洲里等各關或向未簡派監督或係以道尹兼管若不由稅務司彙填造報終不免嫌於掛漏卽原有監督各關其洋稅一項歷歸稅司經徵非得各該關稅司之協助亦慮難臻詳盡似應仍由貴處飭知總稅司轉飭各關稅司分別造報或協助監督辦理以免遺誤至總稅司原詳內稱表內雜收一項海關清摺表冊并無此項名稱等語查海關四項清摺內有另款一項表列雜收卽係另款收入可由各該關稅司仍照摺列各項銀數填入又海關罰款本不以稅款看待然亦關務收入之一種故統計表內特予分立一欄應仍以罰款收入全數列計藉資考核至部頒統計表式原定分月計算一格據稱海常各

關清摺表冊并無分月開具之法亦未有另列分關收數一節如果各關難於照辦應准將原表變通祇填年結稅數免予分月計算以歸便利應復查照辦理等因前來查總稅務司原詳所稱海常各關事繁年終尤形忙迫若再加以此項公務難以擔負自係實情惟財政部所定各關統計調查表實爲綜核全國財政所必不可缺之手續如原咨內稱向未派有監督及或係以道尹兼管之關若不由稅務司彙填造報終不免嫌於掛漏卽原有監督各關其洋稅歷歸稅司經理非得各該關稅司之協助亦慮難臻詳盡要皆爲力求完備起見至其中辦法礙難之處原咨內亦經明晰解釋並酌予變通各關稅務司當可勉爲其難俾財政統計無虞闕漏相應飭知總稅務司查照究竟能否飭下各關稅務司分別遵照此次部咨辦理之處迅卽議復以憑轉咨核辦等因奉此總稅務司查現在既奉鈞處勗以勉爲其難之義則各關自應勉力奉行現卽通飭各關稅務司遵照辦理矣理合備文復請

鑒核可也謹詳 洪憲元年一月十四日

CIRCULAR No. 2487 (SECOND SERIES).

Examination work and valuation: training of examination staff: instructions; further report called for. Library, office: list of books of reference for examination work suggested; report called for. Samples: port collections of: condition to be reported on.

INSPECTORATE GENERAL OF CUSTOMS,
PEKING, 18th February 1916.

SIR,

1.—The replies to Circular No. 2357:*

Examination work and valuation: periodic conferences of examination staff to secure uniformity in, proposed: views of Commissioners called for; instructions:

show the view of most of the Commissioners consulted, though one or two hold a different opinion, to be that conferences of Examiners, so far as they are practicable at all under present conditions, would not be of sufficient benefit to warrant the dislocation of work and the expenditure which would be involved. It would seem therefore that the system of conferences which is working successfully at the Manchurian ports cannot usefully, for the present at any rate, be extended to China Proper; and the objects aimed at—the improving of our methods of examination and the better training of our examining staff—we must hope to attain by other means.

2.—One practical result, however, emerges from the inquiry. It is suggested by several ports that it would be of decided value to the revenue if quarterly value lists of imports and exports were sent by the five central ports to the ports grouped with them. This suggestion is worthy of adoption, and I have therefore to instruct that, beginning with the 1st June 1916, such lists are henceforth to be sent by the senior officer of the examination staff at Tientsin, Shanghai, Hankow, Amoy, and Canton to the various ports as grouped in Circular No. 2357. A change, however, is to be made in regard to Wuhu, which is to be attached to the Shanghai group; and the Manchurian ports—Harbin, Antung, Dairen, and Newchwang—are to form another group, with Newchwang as the group-centre. Samples of new goods are to be attached to the value lists, with any explanatory notes which may be thought

* *Antea*, vol. iii, p. 234.

necessary, and any marked fluctuation in the value of any commodity of importance occurring during the quarter should be at once notified by memorandum.

As a help to the central port in this work, and to give it a knowledge of their local conditions, the ports concerned are similarly—but at the *end* of the quarter, beginning with the March quarter 1916—to send a copy of their value list to their group-centre, with samples of any new goods, and any remarks and information which may be thought useful. If during the quarter any great change in value occurs in any commodity, or should any difficult question of classification or identification arise, the central port is to be communicated with, information given, or an opinion asked for.

The correspondence in this connexion is to be an inter-departmental affair, and is to be conducted by the senior member of the examining staff at each port. It will be sufficient if the Commissioner, or, in the bigger ports, the head of the General Office, sees and initials the memoranda that pass, but the Commissioner must satisfy himself that the correspondence is properly recorded and archived so as to be readily available for reference. If this system should lead to an intelligent interport interest being taken in examination affairs and a serious attempt is made by the Examiners to obtain and give information concerning goods, before many years have passed this correspondence and exchange of values should produce a mass of valuable information—sufficient, perhaps, to form the nucleus of a special volume, an Examiner's Guide or Reference Book.

3.—I notice that the point of view taken by Commissioners in their answers to Circular No. 2357 is almost always confined to an estimate of what effect the suggested conferences would have upon values and classification. The other side of the question, how far they would aid in the technical education of Examiners, has attracted very little attention. And yet, in my opinion, this is a matter of very great importance. In the early days of the Service the Chinese trade consisted of relatively few commodities, most of which were tariff articles. The work of examination and valuation was simple, and the modest technical equipment necessary could be easily acquired. Matters are now very different. In a growing and changing market tariffs tend to become rapidly out of date. New commodities constantly appear which are not to be found in our Import and Export Tariffs, while the abolition of the duty-free list in 1901 alone gave us a large additional number of *ad valorem*

articles. The work of an Examiner, always important, now tends to become more technical and specialised. The day has passed when the old system of putting an officer to examination work and leaving him to pick up a knowledge of his duties as best he may suffices to meet our needs. The lowness of the Chinese tariff, the comparative smallness of the revenue, and the financial resources of the Service, do not require or permit of a class of highly paid specialists in the various branches of trade. But what we do need, and what it must be our aim to attain, is a class of men as Examiners who have a good knowledge of the goods which pass through their hands and have had a sufficient theoretical and practical training to enable them to learn and profit by their daily experience. The old system, haphazard as it has been, has evolved some excellent Examiners, and on the whole it must be admitted that the examination staff has done its work well. The problem now to be solved is how that work may be further improved and the training of Examiners undertaken on lines suitable to modern requirements.

4.—Did Service conditions permit of the entire separation of the examination from the executive staff (*vide* Circular No. 1722, § 5), and did Service finance and staff requirements allow of such an institution, the best way to train Examiners would be by the establishment of a training school at Shanghai or some other central point, through which all candidates for Examiners' positions might be passed. But Service exigencies quite forbid any such scheme at present; and recognising, as we must, that the current work must be carried on by a staff distributed among a number of widely scattered stations, the only feasible plan seems to be to see what may be done by the encouragement of private study. Following the example of what is done in the case of the study of Chinese in the In-door Staff, we might try the result of the holding of examinations by a travelling examiner, the issue of diplomas, and the offering of special advantages of status or promotion to such as attain a certain standard of technical qualification.

As illustrative of what may be done in the way of teaching a knowledge of goods and tariff, I append a memorandum by Mr. E. Watson, Examiner, A (detached), Instructor in charge of the Tariff and Samples Class in the Customs College at Peking. To the memorandum are attached examples of the examination papers in this subject which are periodically given to the students. These papers will serve to give an indication of the sort of knowledge which candidates for diplomas would be expected to possess.

5.—If the training of Examiners is to be systematised, it is necessary that each port should not only be in possession of a complete collection of samples, but should also be provided with a small but representative library of reference. The ports presumably already have a collection of samples, in accordance with standing instructions, but in order that I may know in what condition the collection is at present, I have to call upon you for a report similar to that supplied in answer to Circular No. 572, Second Series, replies being given under the same six headings.

6.—With regard to the question of works of reference, a list of books is appended which it is suggested should be kept in the Customs libraries and be available for reference by the examination staff. You are to report whether your library already contains any of these books; whether in your opinion the list is sufficiently comprehensive, or whether it would be well to add others that you know of; and how many copies of some of the smaller works your port would require.

7.—A copy of this Circular is to be put in your Out-door Staff Order Book; a report dealing with the various questions raised is required from each port and sub-port; and in those reports I should be glad to have any suggestions Commissioners may have to offer on the subject under consideration.

I am, etc.,

F. A. AGLEN,
Inspector General.

ENCLOSURE No. 1.

AN ACCOUNT OF THE METHOD EMPLOYED IN
TEACHING THE "SAMPLES" CLASS AT
THE CUSTOMS COLLEGE.

All the principal articles of import and export are studied. Particular attention is paid to such staple commodities as cotton, wool, silk, oils, waxes, gums and resins, dyes, metals, etc. Miscellaneous commercial products are also dealt with.

A fairly representative collection of samples has been obtained. The students learn to recognise these and become familiar with their distinctive features. They are required to remember where each is produced, how it is prepared or manufactured, what it is used for, the difference between the various qualities, the value and the rate of duty of each product, etc.

The following summary on the subject of "cotton" will serve as an example of the kind of instruction given:—

Notes are given on the importance of the cotton trade; world's supply of cotton; where produced; Sea Island, Egyptian, Brazilian, American, Indian cottons; what cotton is; "kapok"; cotton plant, flowers, seed, boll, etc.; structure of the cotton fibre; ginning process; seed cotton; raw cotton; cotton seed; cotton seed oil; oil-cake; how cotton is graded; defects in cotton; appearance of cotton under the microscope; reasons for and use of the twists in the cotton fibre; chemical composition of cotton; legal allowance of water in cotton; conditioning houses; cellulose; yarn (grey, bleached, dyed, mercerised, gassed); length of hank; "count," "twist," and "ply"; process and effect of mercerisation; thread; usual weights and methods of packing the various kinds of cotton and yarn; cotton piece goods; sundry notes on warp, weft, selvage, systems of weaving, plain, twill, printed, figured, coloured woven, etc.

These notes are thoroughly explained and the following samples are passed round and examined: raw cotton (various), seed cotton, cotton seed, cotton seed oil, gin roller, cotton waste, cotton yarn (grey, bleached, dyed, and mercerised), cotton piece goods (practically all those mentioned in the Import and Export Tariffs), unclassified cotton piece goods, sundry other cotton products. The value, rate of duty, etc., are given with each sample.

(Chemical and mechanical tests for cotton, wool, and silk are given after the subjects of "wool" and "silk" have been studied.)

As soon as the students show that they have a good knowledge of the notes given and of the samples shown, including the value and rate of duty, another subject is taken up and studied similarly.

The subject of "piece goods" gets particular attention, and the student is required to have a fair knowledge of all the piece goods in the College.

Fibres are examined under the microscope, and tests for fibres and fabrics are demonstrated.

In addition to the instruction on "samples," the student is taught to use and to become familiar with the Import and Export Tariffs, copies of which have now been supplied to him. The ordinary routine work of the examination department is also explained and gone into as thoroughly as possible during the time available. The students are also required to scrutinise specimen Customs Applications in order to discover possible discrepancies.

CIRCULAR No. 2498 (SECOND SERIES).

Chinese factory products: *Yüntan* procedure notified in Circular No. 2442 modified by new rules: instructions.

INSPECTORATE GENERAL OF CUSTOMS,
PEKING, 16th March 1916.

SIR,

1.—With reference to the privileged duty treatment of Chinese factory products, you were notified in Circular No. 2442 of a new form of *Yüntan* and six rules to govern procedure. These rules were the outcome of an agitation on the part of merchants to retain in their hands the *Yüntan* covering their goods and of a desire on the part of the Government to introduce uniformity of procedure; but it has been found in practice that they create difficulty, owing to the fact that the majority of factories are situated at treaty ports and shippers of the products coastwise are not generally able to give the ultimate inland destination of the goods. The issue by the Maritime Custom Houses of *Yüntan* in these circumstances, besides giving extra work, served no useful purpose, seeing that the goods when under Customs control are sufficiently protected by Customs documents, and it seriously hampered movements of cargo owing to no provision having been made for correction of the destination given in the *Yüntan* at treaty port of arrival.

2.—It has been decided, therefore, to revert to former practice and to reserve *Yüntan* exclusively for the protection of factory products conveyed inland, and, as you will see from the enclosed copy of Shui-wu Ch'u despatch No. 411, the six rules notified in Circular No. 2442 have now been rescinded, their place being taken by a set of eight new rules. Of these, Nos. 1, 2, 3, 4, and 5 are the same, with slight verbal alterations in the first two, as the rules given in Circular No. 2442. You will note that the new form of *Yüntan* is to be invariably used by inland tax stations and by such Maritime Customs offices as are called upon to issue it. Rule 6 is a new rule and reaffirms the former Customs practice (Circular No. 2236). At treaty ports where factory products originate whose first movement is coastwise, the Maritime Customs will issue Special Exemption Certificates only. On arrival of the goods at treaty port of discharge the Maritime Customs there will issue *Yüntan* as required to cover the goods to inland destinations. You will note that merchants may re-sort consignments arriving under Special Exemption Certificate into smaller lots for sale at different places inland and that issue of separate *Yüntan* to cover such lots is allowed. When factory products arrive from inland under *Yüntan* at a treaty port for shipment, the *Yüntan* is to be surrendered and the goods are to go forward under Special Exemption Certificate—thereafter the procedure being as above. Rule No. 7 is also new: you will see that it specifies that the time limit of 12 months, referred to in rule No. 5 as that within which the *Yüntan* is valid, is to be calculated in the case of shipments coastwise from the date on which the Special Exemption Certificate is exchanged at treaty port of discharge for *Yüntan*. Rule No. 8 is the same as rule No. 6 in the original set.

3.—You are to see that desk memos. are amended by the addition of the two new rules and that the necessary corrections are made in the procedure as laid down in Circular No. 2442. Special attention should be paid at ports of discharge to the procedure governing the tracing of Special Exemption Certificate cargo and the issue of *Yüntan* in exchange for the coast document, in order that complaints of delay which were formerly somewhat frequent may be avoided.

I am, etc.,

F. A. AGLEN,
Inspector General.

ENCLOSURE.

稅務處飭

爲飭知事查機器仿製洋式貨物前經本處釐定劃一運單並酌援機製麵粉變通可由常關暨釐卡徵稅給單辦法核定簡章經財政部同意後於樂字第一一七七號文飭知轉飭遵辦在案旋經本處復加查核前項機製貨品給予運單辦法其內地與通商口岸展轉報運按照前項所訂簡章尙有未盡適宜之處本處爲便商起見審管不厭求詳茲將前項簡章六條酌爲修正增訂爲八條以期商貨轉輸推行盡利自此次修正後從前所訂簡章六條卽行取銷改照此次增訂八條辦理除分行外相應油印修正簡章飭知總稅務司轉飭各關稅務司一體遵照辦理可也此飭

附件 洪憲元年三月十日

穀字第四一號

海常關與釐金各口卡發給機製洋貨運單辦法修正簡章

一本處所定運單式應一體遵照刊用其各關從前所定運單式樣均卽取銷以昭劃一
二商人持用此項已完正稅運單除崇文門落地稅應照章徵收外經過內地各關卡祇驗明單貨相符並無影射夾帶及漏稅等情弊卽在原單內加蓋戳記放行不再徵一切稅釐並不得留難阻滯
三商人向第一關報運貨物如係常關監督所管之口卡或釐金口卡均一體照章徵一值百抽五正稅填給運單倘單內指運地點須經過海關應由該口卡將所給運單之號數及貨物件數稅銀數目報知經

過第一海關之監督以資接洽其稅銀每屆一星期彙解該海關核收若不經過海關則該口卡即照章報解各該主管機關

四海關查驗此項內地所給運單如尙未經原給運單之口卡聲報除照章驗放外隨將該單號數貨數稅銀數目記入冊內並函達該口卡查明補報

五運單防弊以及限期十二個月繳銷各辦法均仍遵照民國三年六月十六日及九月十日日本處先後飭文辦理六各通商口岸所設機廠之商人報運貨物往他通商口岸者照章完一值百抽五正稅由關發給特別免重徵執照直抵指運之口岸免再徵稅如欲將該貨運往內地行銷可由該商人向該口岸之海關聲請換給運單亦不再徵稅銀倘商人欲將該貨化整爲零分銷數處者亦准分別填給運單其內地所設之機廠該商人已在出口第一關卡完過正稅執有運單經過海關欲再轉口者即向該海關呈驗運單換給特別免重徵執照該貨運抵所轉之口不再徵稅如欲再運內地即照上項通商口岸機廠之貨品辦法辦理

七運單繳銷期限原定十二個月係爲防弊起見凡貨物由轉口海關再入內地該商人請換運單者其繳銷期限從寬仍以換給運單之日起算照原定期限辦理

八洋商在通商口岸用華工華產機製貨物除第三第四兩條不適用外餘均一律辦理

CIRCULAR No. 2505 (SECOND SERIES).

Nien-hao Hung Hsien adopted by Chinese Government from
1st January 1916 withdrawn (March 1916): instructions.

INSPECTORATE GENERAL OF CUSTOMS,
PEKING, 30th March 1916.

SIR,

With reference to Circular No. 2464,* I have to circulate herewith, for your information and guidance, copy of Shui-wu Ch'u despatch No. 545, from which you will see that the *nien-hao* "Hung Hsien" (洪憲) has been withdrawn and that in its place the former style "Chung-hua Min-kuo" is to be again employed. You are to see that the style "Hung Hsien" is no longer used in Customs documents to denote the year, which in future will be known as the Fifth Year of the Republic of China.

I am, etc.,

F. A. AGLEN,
Inspector General.

ENCLOSURE.

稅務處飭

為飭行事本年三月二十

三日奉

告令前據大典籌備處奏請建

元現在承認帝位一案業已

撤銷籌備亦經停辦所有洪

憲年號應即廢止仍以本年

為中華民國五年此令等因

奉此除分行外相應飭行

總稅務司轉飭各關稅務

司遵照可也此飭中華民國

五年三月二十五日

穀字第五四五號

* *Antea*, vol. iii, p. 280.

CIRCULAR No. 2531 (SECOND SERIES).

Rail-borne cargo: proposal to allow carriage of native re-exports under Exemption Certificates between treaty ports; question deferred for the present. Principle of actual control over rail-borne goods: instructions.

INSPECTORATE GENERAL OF CUSTOMS,

PEKING, 2nd June 1916.

SIR,

The replies to Circular No. 2470,* calling for Commissioners' views concerning the proposal to allow native re-exports to be conveyed by rail between treaty ports under Exemption Certificates, and on the larger question of the Customs control of rail-borne goods generally, have been received, and I return to the subject to say that for the present it is not intended to proceed with this matter. It has been pointed out to me that conveyance by rail of cargo, both foreign and native, under Customs documents has already become so established—foreign goods being so conveyed under Exemption Certificates and Special Manchurian Exemption Certificates and native goods under Special Manchurian Exemption Certificates and Outward Transit Certificates at certain ports—that there is no valid reason for objecting to extension of the procedure hitherto in force or any special necessity for insisting on further measures of control so long as native re-exports only are in question. In regard to this view it must be remembered that we were originally committed to an attempt to control rail-borne cargo by means of stringently worded regulations without any adequate control over either the means of conveyance or the cargo itself while in the railway administration's hands; and, seeing that extension of the existing facilities to the point where rail and steamer borne cargo will be placed on precisely the same footing must be looked for, we should endeavour before it is too late to arrange for such control over rail-borne goods as we exercise through steamer companies over cargo carried by steamer. The latter is admittedly inadequate in many respects, and there is therefore all the more reason, where rail-borne cargo is concerned, for putting matters on a proper footing before we incur as an administration fresh responsibilities. I wish this principle of actual control over cargo to be kept in mind should the question come up again or be discussed by Superintendents or railway authorities at the ports.

I am, etc.,

F. A. AGLEN,
Inspector General.

* *Antea*, vol. iii, p. 282.

CIRCULAR No. 2533 (SECOND SERIES).

Native Customs: administrative progress reviewed; question of issue of retiring allowances to employés to be considered; present staff to be specially and confidentially reported on, with statement of minimum required; instructions.

INSPECTORATE GENERAL OF CUSTOMS,
PEKING, 10th June 1916.

SIR,

1.—During recent years the question of putting Native Customs employés on the same footing as their colleagues in the Maritime Customs in regard to issue of retiring allowances has been submitted by more than one port, but to all these proposals I have been obliged to reply that for various reasons, chiefly financial and administrative, the time had not yet come for dealing with the matter. In this connexion it may be appropriate to say a few words of explanation. When in 1901 the management of the Native Customs at the treaty ports was transferred to the Commissioners of Customs in order to give effect to the stipulations of the Peace Protocol regarding payment of the Boxer Indemnity, the Inspector General, as you will see from perusal of the series of Circulars beginning with Circular No. 968, was confronted with a problem about the essential factors of which very little was known. At certain ports, *e.g.*, Tientsin and Newchwang, where Native Customs had been controlled by, or under the protection of, a strong foreign administration, the transfer was, comparatively speaking, an easy matter, and from the outset a real control more or less following Maritime Customs lines was established. At the other ports our control was to a great extent nominal: we were recorders, rather than collectors, of revenue, and our policy was to disturb the existing procedure and staff as little as possible until experience should be gained. This policy was maintained without much modification until 1912, the years being marked by a satisfactory, if fluctuating, growth of revenue, notwithstanding the counteracting tendency of cargo to escape the Native Customs net as improved steam and rail communication diverted trade from the larger class of junks. And during the interval much useful work was done in the way of acquiring and recording information concerning Native Customs procedure and methods. With the assumption by the Inspector General of the actual control of the Customs collections a new situation arose, which made it imperative to acquire a firmer hold over the collecting staff and to attempt to assimilate Native Customs administrative methods more

closely to those of the Maritime Customs. Simultaneously the exigencies of the national exchequer directed the attention of the Government to the question of the revision of Native Customs tariffs, and, seeing that revision to be practicable necessitated thorough reform and simplification of methods of procedure, the driving power to attain the latter was at last forthcoming. Good work has been accomplished at Wuhu, Kiukiang, Ningpo, Santuao, Swatow, and Kongmoon, and the results are apparent at certain of these ports in largely increased revenue receipts, but much remains to be done. Sufficient progress has, however, been made to justify me in considering whether the Native Customs funds at my disposal would now be sufficient to pay retiring allowances to members of the regular Native Customs staff on Maritime Customs lines.

2.—Before coming to a decision I wish to be informed whether staff has been reduced to proper limits. You will readily understand that so long as we retain redundant employés on our pay sheets there can be no question of adding to our expenditure the permanent burden their retiring allowances would impose. On the other hand, if reduction is possible, and I am convinced that with improved methods of collection it is possible at certain ports where the question has not yet been seriously tackled, an opportunity might be taken when putting the staff retained on a Maritime Customs footing to issue some allowance to those whose services have to be dispensed with. I wish you to go into the question and submit your recommendations and suggestions to me by despatch, in which you should state what you consider to be your minimum requirements in each rank, and enclosing lists of staff, giving name and rank of each employé, age, date of joining (or, if an old employé, the date when the Native Customs staff passed under the control of the Maritime Customs), present rate of pay, and date of first issue at present rate. You may also add any remarks you wish to make concerning a man's fitness for the post he holds, whether in your opinion his services are worth retaining, and if not, whether it will be necessary to fill the vacancy by promotion or new appointment. These remarks will be considered to be in the nature of a confidential report and will be treated as such. Replies to this Circular are only required from Commissioners in charge of Native Customs establishments and are to be posted before the end of July.

I am, etc.,

F. A. AGLEN,
Inspector General.

CIRCULAR No. 2534 (SECOND SERIES).

President Yüan Shih-k'ai: death of, notifying; mourning regulations to be observed by Customs: instructions.

INSPECTORATE GENERAL OF CUSTOMS,
PEKING, 10th June 1916.

SIR,

I enclose, for your information and guidance, copy of Shui-wu Ch'u despatches Nos. 1083 and 1099. The former despatch notifies the decease on the 6th instant of His Excellency President Yüan Shih-k'ai (袁世凱) and conveys the instructions of the Government that flags on all Chinese Government offices are to be flown at half-mast as a mark of respect. From despatch No. 1099, which encloses copy of the mourning regulations prescribed in this connexion, you will see that the period during which flags are to be half-masted is 27 days, dating from the 6th instant, and also that flags are to be half-masted upon the day of the funeral, which will be notified to you later. These instructions are to be observed in the case of flags on all Customs buildings, shore stations, ships, and boats.

You will also note that during the above period Customs Chinese stationery—official despatches, letters, and envelopes—is to bear a black edge of about five *fên* (分) in width and that the official seal is to be impressed in black. Black or blue pencil should be used when signing or initialling Chinese documents during the above-mentioned period.

I am, etc.,

F. A. AGLEN,
Inspector General.

ENCLOSURE.

稅務處飭

爲飭行事頃准國務院知照本月六日

袁大總統逝世所有各機關公署應下半旗以誌哀悼相應飭行總稅務司遵照至應下半旗若干日俟奉到國務院公文再行飭知可也此飭 中華民國五年六月七日

稅務處飭

爲飭知事准國務院函開

袁大總統薨逝所有關於喪事禮節擬訂十二條應粘抄行知查照又准函稱各官署公文封面紙面既用黑邊其印章亦應蓋用黑色印花二十七日自六月六日起各等因除分飭外相應照錄前項條文飭行總稅務司遵照可也此飭 附件 中華民國五年六月八日

穀字第一〇八三號

穀字第一〇九九號

一 各官署海關軍營下半旗二十七日 自六月六日起 出殯日下半旗一日靈櫬駐在所亦下半旗至出殯日爲止

二 文武官吏停止宴會二十七日

三 民間輟樂七日出殯及國民追悼日各輟樂一日

四 文官左臂纏黑紗二十七日

五 武官及兵士於左臂及刀柄上纏黑紗二十七日

六 官署公文封面紙面用黑邊 寬約五分 二十七日

七 官報封面用黑邊 寬約五分 二十七日

八 自殮奠之後一日起至釋服日止在京文武各機關除公祭外按日輪班前往行禮 班次另單定之各附屬機關即隨

同主管機關前往京外大員有來京者即以到日隨本日輪祭機關前往行禮駐京軍隊按日分班在新華門舉槍行敬禮各國公使致祭日期聽其自定由外交部派員接待

九 各省及特別行政區域與駐外使館自接電之日起擇公共處所由長官率同僚屬設案望祭凡七日

十 出殯之日鳴礮一百零一響官署民間均輟樂一日京師學校均於是日輟課凡國民開追悼之日亦一律輟樂輟課

十一 新華公府門置黑邊素紙簽名簿二本 一備外交團簽字用（洋紙）一備中國官吏簽名用

十二 軍隊分班至新華門舉槍致敬

此節應由陸軍部擬定

CIRCULAR No. 2542 (SECOND SERIES).

I.W.S.N. Regulations: steamers trading between treaty ports and inland places under Maritime Customs certificates to be controlled by Maritime Customs, dues being levied according to Native Customs tariff: instructions.

INSPECTORATE GENERAL OF CUSTOMS,
PEKING, *26th June 1916.*

SIR,

A question concerning the control of steamers trading between treaty ports and the interior under Inland Waters Steam Navigation Regulations came up not long ago at the newly opened port of Lungkow, and, as its settlement establishes a principle of some importance, I enclose for your information and for record copy of my correspondence with the Shui-wu Ch'u. Previous to the opening of Lungkow as a sub-port of Chefoo, trade there was controlled by the Native Customs, which, being beyond the 50-*li* radius of any treaty port, did not come under the direction of the Maritime Customs. The trade was for the most part done by junks, but Lungkow was also a port of call for a number of steamers engaged in inland waters trade within the Gulfs of Chihli and Liaotung. On the establishment of the Maritime Custom House at Lungkow it was decided that the existing Native Customs administration should not come under the control of the former, but the question then arose which office should in future control the steamer trade between Lungkow and inland places. On the principle that at treaty ports all vessels trading under certificates issued by the Maritime Customs should be controlled by the Maritime Customs, I directed that steamers trading between Lungkow and inland places should, like all other steamers, be exclusively controlled by the Maritime Customs, duties, however, being levied according to the existing Native Customs tariff. This decision was appealed against by the Superintendent at Chefoo, but you will see that it has been confirmed by the Shui-wu Ch'u. The amended regulations of July 1898, Circular No. 846, leave the point at issue in no doubt, but the supplementary rules issued in September of the same year modify and obscure it to some extent.

These rules, you will remember, were drawn up to meet provincial objections to the 1898 amended regulations, and article 9 provides for the appointment of a Chinese official to collect the

duties leviable on cargo carried between treaty ports and inland places—the principle of ultimate Maritime Customs control being maintained by providing for the subordination of that official to the Commissioner of Customs. This rule has remained in abeyance hitherto, and in general the practice has been for inland-waters steamers at treaty ports which carry cargo to be controlled either by the Maritime Customs or by the Native Customs working under the Maritime Customs. The principle now established by the Lungkow case, which has brought the issue clearly to the test, is that at treaty ports where no official in due subordination to the Commissioner has been specially appointed to deal with inland waters trade, the control of inland-waters steamers, including the collection of import and export duties on cargo carried by them, is vested in the Commissioner of Customs. Any port whose procedure is found to be in conflict with this principle is to report for instructions.

I am, etc.,

F. A. AGLEN,
Inspector General.

ENCLOSURE.

稅務處飭

爲飭知事據東海關監督詳稱據龍口分關兼稽徵常稅員朱建勳詳稱龍口自海關成立以來所有進出口輪運貨物業已一律劃歸該關徵稅惟有來往龍口塘沽之北京輪船一艘因塘沽係屬內地並無海關其應納貨稅仍由常關照舊徵收並會商允倪副稅務司如有輪船運貨前往西口及登州等處應令向常關投報納稅頃據倪副稅務司函稱奉總稅務司札飭所有輪船裝運貨物來往內地亦應由海關按照常關稅則徵收特請發給常稅則例一本並據面稱總稅務司札內謂此項經徵稅款仍應另行存儲各等語查權限所在絲毫不容遷就倘以此項來往內地輪船貨稅必須改由稅司查驗徵收而稅款既係按照常關則例徵收另行存儲則是經徵雖由海關款目終爲常稅亦請飭將龍口新關徵存此項稅款照數撥還常關以清款目等情查小輪由烟台往內地者其貨稅皆由常關徵收其由內地來者亦然惟通商口岸來往小輪貨稅皆由海關徵收此係本關向章查龍口常關於通商口岸往來小輪貨稅業已劃歸海關分關徵收其往來內地者仍由該常稅分關徵收與烟台辦法相同既爲常關應徵之稅自未便劃歸海關惟總稅務司以輪船運往內地貨物亦應由海關徵稅與烟台辦法不同此中界限究應如何分別詳請察核批示祇遵等因前來正核辦間復准財政部咨同前因查龍口係自開商埠與約開之通商口岸不同所設海

關係東海關分關距烟台口岸在百里以外該處常關應徵稅項似不應劃歸海關兼管茲來往龍口塘沽之輪船運貨總稅務司謂應由海關按照常關稅則徵稅并謂此項經徵稅款應另行存儲各節其理由如何解釋相應鈔

錄原詳飭知總稅務司迅即詳覆以憑核辦此飭 附件 中華民國五年五月二十五日

穀字第一〇一八號

照錄東海關監督詳

詳爲龍口小輪貨稅常稅分關與海關分關應如何分別徵收陳請示遵事據龍口分關兼稽徵常稅員朱建勳詳稱龍口自海關成立以來所有進出口輪運貨物業已一律劃歸該關徵稅惟有來往龍口塘沽之北京輪船一艘因塘沽係屬內地並無海關其應納貨稅仍由常關照舊徵收並會商允倪副稅務司如有輪船運貨前往西口及登州等處應令向常關投報納稅頃據倪副稅務司函稱奉總稅務司札飭所有輪船裝運貨物來往內地亦應由海關按照常關稅則徵收特請發給常稅則例一本並據面稱總稅務司札內謂此項經徵稅款仍應另行存儲各等語查前此北京輪船裝運貨物來往塘沽以係內地獨在常關投報納稅倪副稅務司並未稍持異議足見向有定章實非創例即如去歲龍口未設新關以前由烟台裝運貨物來龍之新飛雲新聚雲等輪所有應納貨稅均係

向常關投報繳納僅由稅司查驗發給總單事實昭然足爲明證雖烟台海關暨五十里內常關同歸稅司管理徵收而機關實爲兩處究屬不可混同今本分關情形非特與各關之五十里內常關迥不相侔卽按之烟台向例其由龍口來往內地之輪運貨物亦當然仍由常關徵稅乃總稅務司謂應由海關按照常關稅則徵收是否新定辦法關員既未奉有改章明文權限所在絲毫不容遷就倘以此項來往內地輪船貨稅必須改由稅司查驗徵收以省手續而稅款既係按照常關則例徵收另行存儲則是經徵雖由海關款目終爲常稅亦請飭將龍口新關徵存此項稅款按月或於年終由稅司照數撥還常關以清款目而裕收入等情到關據此監督查小輪由烟台往內地者其貨稅皆由常關徵收其由內地來者亦然惟通商口岸來往小輪貨稅皆由海關徵收此係本關向章查龍口常關於通商口岸往來小輪貨稅業已劃歸海關分關徵收其往來內地者仍由該常稅分關徵收與烟台辦法相同既爲常關應徵之稅自未便劃歸海關惟總稅務司以輪船運往內地貨物亦應由海關徵稅與烟台辦法不同此中界限究應如何分別理合詳請

鈞處察核批示祇遵除詳

財政部外謹詳

總稅務司詳復 稅務處

詳爲龍口行駛內港輪船貨物徵稅一案擬仍照舊章辦理由海關徵稅復請

鑒核事案奉穀字第一〇一八號

飭以據東海關監督詳稱據龍口分關兼稽徵常稅員朱建勳詳稱龍口自海關成立以來所有進出口輪運貨物業已一律劃歸該關徵稅惟有來往龍口塘沽之北京輪船一艘因塘沽係屬內地並無海關其應納貨稅仍由常關照舊徵收並會商允倪副稅務司如有輪船運貨前往西口及登州等處應令向常關投報納稅頃據倪副稅務司函稱奉總稅務司劄飭所有輪船裝運貨物來往內地亦應由海關按照常關稅則徵收特請發給常稅則例一本並據面稱總稅務司札內謂此項經徵稅款仍應另行存儲各等語查權限所在絲毫不容遷就倘以此項來往內地輪船貨稅必須改由稅司查驗徵收而稅款既係按照常關則例徵收另行存儲則是經徵雖由海關款目終爲常稅亦請飭將龍口新關徵存此項稅款照數撥還常關以清款目等情查小輪由烟台往內地者其貨稅皆由常關徵收其由內地來者亦然惟通商口岸來往小輪貨稅皆由海關徵收此係本關向章查龍口常關於通商口岸往來小輪貨稅業已劃歸海關分關徵收其往來內地者仍由該常稅分關徵收與烟台辦法相同既爲常關應徵之稅自未便劃歸海關惟總稅務司以輪船運往內地貨物亦應由海關徵稅與烟台辦法不同此中界限究應如何分別詳請察核批示祇遵等因前來正核辦間復准財政部咨同前因查龍口係自開商埠與約開之通商口

岸不同所設海關係東海關分關距烟台口岸在百里以外該處常關應徵稅項似不應劃歸海關兼管茲來往龍口塘沽之輪船運貨總稅務司謂應由海關按照常關稅則徵稅并謂此項經徵稅款應另行存儲各節其理由如何解釋相應抄錄原詳飭知總稅務司迅即詳復以憑核辦等因奉此總稅務司查華洋輪船駛赴中國內港章程第五條內載此項輪船如在各口照此章程裝載應稅之貨駛赴內港應即報明海關由關核定應否照完何項出口稅如由內港裝載應稅之貨駛回本口應即報關由關一體核辦云云觀以上所載條文可知該章之語意係輪船領有內港牌照在通商口岸裝載貨物應由海關徵收稅款惟查前清光緒二十四年七月十九日頒布之內港行輪補續章程第二條內載凡在通商口岸將土貨裝載輪船運往內港應先報明該關照民船裝貨出口完稅之例完納出口正稅又該章程第九條內載內港各關卡之章程頒布後通商各口應由該省大憲各派一妥慎之員代收輪船往來內港之稅釐等項由該員按定期呈報大憲查核遇有輪船報明欲往內港何處該員即將該輪所裝何貨若干沿途應經某關卡共應完納稅釐若干核明總數先行徵收隨即發給總單一紙以便前往貿易該輪過沿途關卡時即將此單呈驗放行不得阻滯至本章第二三款所載之稅亦由該員一併核收各該員應於新關附近之處設立局所與本口稅務司和衷會辦不可自專遇有疑難事件應請本口稅務司與監督通融酌議辦理若案中牽涉洋人即可任便商酌按照會訊章程辦法辦理等語但此條從未實行所以歷來領有內港牌照之小輪

在通商口岸裝卸貨物者多半或由海關直接徵收稅款或在稅務司兼管之常關口岸內則由該常關徵收稅款現在龍口有海關亦有常關而該常關因奉

鈞處特別飭令不歸海關兼管所有該兩項徵稅機關之責任區劃甚屬分明海關則管理來往各輪船及輪船裝卸之貨常關則管理來往各民船及民船裝卸之貨各專責成彼此毫無侵越况管理常關之員並不歸稅務司節制故前因欲守此項責任分明之例曾經飭行稅務司對於往來龍口領有內港牌照各輪所裝之貨均由海關按照常關稅則徵收稅款所徵之稅即行另立帳簿以備撥付常關現在

鈞處如欲將輪船貨稅劃歸常關徵收則必須預先按照內港行輪補續章程第九條所載應由該省大憲各派一妥慎之員代收輪船往來內港稅釐等語派委管理常關之員而該員應特別歸稅務司節制第如果照此辦理一則管理常關之員此後對於關務不能仍照從前得有自由處理之權一則此後來往內港各輪船常關既有管轄之責海關亦有管理之權竊以此項辦法於事似多未便緣責任一經紊亂則政策未免受其影響也似莫如仍照舊章使此兩項徵稅機關劃權分治蓋一機關專管所有各輪船一機關專管所有各民船則責有專歸其法似爲妥善至海關所徵內港輪船之貨稅或按月撥解常關或按結撥解常關可於二者之中擇便規定所有遵議往來內港輪船貨物擬由海關徵稅各緣由是否有當理合備文復請

鈞鑒核示施行謹詳 中華民國五年六月十五日

稅務處飭

黃字第一五〇號

爲飭知事前據東海關監督詳稱龍口海關成立來往龍口塘沽之北京輪船應納貨稅仍由常關照舊徵收並會商允倪稅司如有輪船運貨前往西口及登州等處應向常關投報納稅頃倪稅司函稱奉總稅務司札飭以輪運內地貨物亦應由海關按照常關稅則徵收並謂此項經徵稅款仍應另行存儲等語此中界限應如何分別陳請示遵等因並准財政部咨同前因本處當以來往龍口塘沽等處之輪船運貨總稅務司謂應由海關按照常關稅則徵收并謂經徵稅款應另存儲各節其理由如何解釋飭知總稅務司詳復以憑核辦去後茲據總稅務司詳復以歷來領有內港牌照之小輪在通商口岸裝卸貨物者多半或由海關直接徵收稅款或在稅務司兼管之常關口岸內則由該常關徵收稅款現在龍口有海關亦有常關而該常關因奉鈞處特別飭令不歸海關兼管所有該兩項徵稅機關之責任區劃甚屬分明海關則管理來往各輪船及輪船裝卸之貨常關則管理來往各民船及民船裝卸之貨各專責成彼此毫無侵越况管理常關之員並不歸稅務司節制故前因欲守此項責任分明之例會

經飭行稅務司對於往來龍口領有內港牌照各輪所裝之貨均由海關按照常關稅則徵收稅款所徵之稅即行另立帳簿以備撥付常關現在鈞處如欲將輪船貨稅劃歸常關徵收則必須預先按照內港行輪補續章程第九條所載應由該省大憲各派一妥慎之員代收輪船往來內港稅釐等語派委管理常關之員而該員應特別歸稅務司節制第如果照此辦理一則管理常關之員此後對於關務不能仍照從前得有自由處理之權一則此後來往內港各輪船常關既有管轄之責海關亦有管理之權竊以此項辦法於事似多未便緣責任一經紊亂則政策未免受其影響也似莫如仍照舊章使此兩項徵稅機關劃權分治蓋一機關專管所有各輪船一機關專管所有各民船則責有專歸其法似爲妥善至海關所徵內港輪船之貨稅或按月撥解常關或按結撥解常關可於二者之中擇便規定所有遵議往來內港輪船貨物擬由海關徵稅各緣由理合復請核示施行等情前來查領有內港牌照之小輪在通商口岸裝卸貨物向既多由海關直接徵稅或由稅司兼管之常關徵稅此次來往龍口塘沽等處之輪船運貨應即核定由海關按照常關稅則徵稅以專責成至此項經徵稅款應按月撥解龍口常關以清款目除咨財政部查照外相應飭知總稅務司轉飭東海關稅務司遵辦可也此飭

中華民國五年六月二十日

CIRCULAR No. 2550 (SECOND SERIES).

**Revenue collection: dollar rates of exchange and remittances:
I.G.'s review of principles underlying collection and
remittance of revenue; instructions.**

INSPECTORATE GENERAL OF CUSTOMS,
PEKING, *4th August 1916.*

SIR,

1.—I append for your information copy of correspondence with Swatow concerning dollar rates of exchange for duty payment, as it serves to illustrate a question which has come up from time to time at ports where sycee has practically ceased to be employed as the medium for making payments in commercial transactions. The difficulty of treating this question is increased owing to the fact that the Customs and merchants approach it from different premises, with the result that it is obscured by a certain amount of confusion of thought. When we first undertook the handling of the revenue collection there were very many matters of importance to be attended to affecting our control, and the question of the dollar exchanges did not perhaps receive all the attention it deserved. The rates accepted were in many instances too low, and, although at certain ports they have been since revised, I have reason to believe that they are still generally too low and that we are not receiving all that we are entitled to by treaty. The necessity, imposed on certain ports by the recent disorganisation of trade, of shipping the revenue collection in dollars to Shanghai has brought the question into a light in which it can be examined more clearly, and certain principles that should guide action emerge with greater distinctness.

2.—The confusion of thought to which I have alluded arises, I think, from the habit of regarding Chinese silver dollars solely as a circulating medium to be tendered by count, whereas the Customs regard, or ought to regard, them for duty payment purposes solely as bullion to be tendered by weight. The sanction for our point of view is of course the treaties which have not been abrogated. Article 33 of the British Treaty of Tientsin, 1858, which is the clearest on this point, reads as follows:—

“Duties shall be paid to the bankers authorised by the Chinese Government to receive the same in its behalf either in sycee or in foreign money, according to the Assay made at Canton on the thirteenth of July one thousand eight hundred and forty-three.”

Without a copy of the Canton Assay referred to, this article cannot be properly understood. You will find a copy appended to this Circular, and you will see that the foreign money alluded to is specified under certain headings, and the rates at which it is to be accepted to produce its Haikwan tael equivalent are given. It must be remembered that in 1843 there were no silver dollars minted in China, nor were there exchange banks to settle daily rates between foreign gold currencies and Chinese silver. The only foreign currencies exchanging in China at that time were rupees and the silver dollars minted by certain countries which had trade relations with the China coast. Hence it was quite natural that the East India Company, who controlled British trade in China, should desire to have an authoritative rate at which rupees could be tendered in payment of duty, while the prevalence of Mexican and certain other silver dollars on the coast will account for their inclusion in the Assay. You will also notice that the Assay specially mentions *new* dollars of each denomination, from which I infer that, as a safeguard for the Chinese Government, who would be obliged to convert the dollars into sycee, it was only intended that newly minted coins should be accepted at the rates named. The "foreign money" of the treaty article must, I think, obviously be taken to mean the silver coinage specified in the Assay and to exclude all other silver coinage not mentioned. It may therefore be laid down as a principle that the Customs can require payment of duties in sycee and need only accept dollar coins other than those specified in the Canton Assay at their sycee value. In other words, the Customs can require payment in all other dollars by weight and are not compelled to accept them by count.

3.—Were it possible to exclude all banking exchange operations, the question of collection and remittance would be reduced to very simple terms. A port, for example, where the established medium of exchange was silver dollars, would determine by appraisement the rate at which a given number of dollars of the established local currency would convert into a given weight of Haikwan tael sycee.* The collection would then be shipped to Shanghai, and, assuming that the dollars were sufficiently standard, the result to the Government Treasury would be the Haikwan tael equivalent recorded at the port of remittance less the cost of melting and assay at Shanghai. This cost, *plus* all packing, shipment, and landing charges, would constitute the cost of remittance—a legitimate charge on the revenue—and there would be no loss by exchange

* For discussion of the origin of the Haikwan tael, *vide* Wright, "China's Struggle for Tariff Autonomy, 1843-1938," Shanghai, 1938, pp. 27, 28.

properly so called. Directly, however, banks are made use of, either at the remitting or the receiving port or at both, another factor comes into operation, namely, the local supply of, and demand for, dollar currency. To take another example: a port, where we will suppose there is no bank able to afford remittance facilities, ships its dollar collection, as above, to Shanghai, but addresses the consignment of dollars to a foreign bank where the Inspector General's Revenue Accounts are held. The bank will in nine cases out of ten not proceed to the melting stage, but will put the dollars into circulation again and will credit the Revenue Account with the result in Haikwan-Shanghai taels at the rate of the day, which is affected by the Shanghai supply of, and demand for, dollars. The net result will therefore not necessarily be the collecting port's Haikwan tael amount less cost of remittance, represented by shipment and landing charges, etc., but there will be further either a gain or a loss by exchange which will accrue to or be a charge on the revenue. We will assume now that the remitting port employs a bank to collect and remit the revenue and that the Commissioner has fixed a rate for acceptance of local dollar currency which would enable the dollars, if converted into sycee, to realise the proper Haikwan tael equivalent; also that the Commissioner has no agreement with the bank to remit the collection in Shanghai taels at par. The factor of supply will now have full play at both ends, and the remittance, after the bank has secured its remuneration for the service rendered in the transaction, will probably result in either a gain or loss by exchange to the revenue. If, on the other hand, the Commissioner has been able to arrange with the bank for remittances in Shanghai taels at par, there will be no loss, and any gain will accrue to the bank.

4.—Now, although the Customs must in the interest of the Chinese Government regard Chinese Government dollars as bullion and base their action accordingly, we cannot in these days altogether avoid the effects introduced by the operations of those who regard them chiefly as circulating medium. We cannot well refuse to accept dollars by count in payment of duty, but we must endeavour so to fix dollar rates of exchange and arrange remittance procedure with the banks, that avoidable loss to the revenue is reduced to a minimum. Standing on the solid ground of the treaties, we have the right to fix a rate of exchange based on the intrinsic value of the dollar as a piece of silver and not on its value as a coin subject to fluctuations according to the local demand and supply. The Chinese Government has for the last two years been minting a standard dollar of Mint K'up'ing taels 0.72 weight and 90 per cent

fineness. This dollar may conveniently be regarded by the Customs as a standard dollar. A series of investigations carried out at Canton by the Canton Commissioner with the assistance of the Government Mint and the manager of the Customs Bank has established that clean dollars answering to the above description may safely be taken by count at the rate *Hk.Tls.* 100 = \$155.63. A statement showing how this result is arrived at is appended to this Circular. You will note that in the Swatow correspondence reference is made to the fixed rate for clean dollars employed by the Canton Customs, which is somewhat higher, namely, *Hk.Tls.* 100 = \$156.65. This rate has been in operation for many years and has become so established that I have thought it best not to disturb it. It may partly be accounted for by being taken to include cost of melting, which at port of collection, seeing that dollars are regarded as bullion, is properly speaking a charge on duty payers. I do not think it advisable, however, at other than Kwangtung ports to introduce this higher rate, which might provoke undesirable controversy, and it would be best therefore in considering rates of exchange to take *Hk.Tls.* 100 = \$155.63 as a maximum not to be exceeded. It is considerably higher than the rates in force at all dollar-using ports other than Canton. In this connexion I append a set of rules for the guidance of the Canton Customs banker in accepting dollars and dollar notes in payment of duty.

5.—In regard to the question of fixed rates of exchange as opposed to daily market quotations, a few words may be desirable. At ports where sycee is still the recognised medium for trade transactions, for example, Shanghai, Tientsin, and Hankow, where also the recognised tael of account is fixed in terms of the Haikwan tael, no difficulty arises. The Customs at these ports require payment in sycee, and the merchant who wishes to pay duties in dollars purchases sycee at the daily quoted rate. The question of the supply of dollars does not touch the revenue collector but only affects the duty payer, who has to pay more or less dollars for a given amount of Haikwan taels according to the state of the local dollar supply and demand. It is fortunate that at these three ports the bulk of our revenue is collected. At ports where a dollar currency is in circulation, but where there is a recognised local tael which exchanges for Haikwan taels at an officially fixed rate, it is perhaps safer to adopt the system of daily market rates for dollars, the formula being: *Haikwan Taels* 100 = *Local Taels* — fixed = *Dollars* — at market rates. At many small ports, however, it may not be convenient to quote daily rates,

but in adopting a fixed rate Commissioners should base their calculations on the intrinsic value of the dollars in circulation. At Canton it has been found necessary to refer all local dollar currencies to a standard clean dollar of ascertained weight and fineness, and if this standard dollar is put in the place of the local tael in the formula given above the arrangement can be expressed in the following formula: *Haikwan Taels* 100 = *Standard Dollars* — fixed = *Local Dollars* — at market rates.

6.—I have written the above in the hope of throwing light on a somewhat difficult subject and in order to draw attention to certain principles which are apt to be obscured. Commissioners should examine their dollar rates and remittance arrangements, and, if their loss by exchange vouchers show that there is room for improvement in one or the other, they should take up the question. Established rates are, however, not to be changed without reference to myself.

I am, etc.,

F. A. AGLEN,
Inspector General.

ENCLOSURE No. 1.

The Swatow Commissioner to the Inspector General.

No. 4986.

I.G.

SWATOW, 11th April 1916.

SIR,

As the Bank of China is at present unable to remit revenue telegraphically to Shanghai, dollars are being forwarded instead. Gain or loss by exchange therefore cannot be ascertained until after receipt of the Hongkong & Shanghai Bank's letter of acknowledgment, for which we must allow at least a fortnight from date of remittance. Under these circumstances I beg to apply for your instructions as to whether the Report on Collection and Remittance, [B.—6], for April is to be delayed until all bank advices are to hand, or whether the loss or gain still unknown on the 5th May is to be charged to May account.

I have, etc.,

W. G. LAY,*
Commissioner.

* For biographical note, *vide antea*, vol. ii, p. 488.

The Inspector General to the Swatow Commissioner.

No. 1531. Commrs.
 Swatow. No. 60,819.

PEKING, 22nd April 1916.

SIR,

I am directed by the Inspector General to acknowledge receipt of your despatch No. 4986:

Inquiring if the forwarding of the monthly Report on Collection and Remittance is to be delayed until the outturn of remittances to Shanghai has been ascertained and accounted for:

and, in reply, to say that as the report for each month must contain all essential particulars of remittances of revenue funds, you are to keep it until you are able to enter the gain or loss by exchange.

I am to ask if it is more remunerative to ship dollars than to remit through a foreign bank.

I am, etc.,

C. A. V. BOWRA,*

Chief Secretary.

* Cecil Arthur Verner Bowra, son of the late E. C. Bowra—one of the early British Commissioners of the Chinese Customs Service—was born on the 22nd August 1869 at Ningpo, and entered the Customs Service as 4th Assistant, B, on the 18th October 1886. He served at Peking, Tientsin, Chefoo, Canton, Amoy, and Kiukiang before being appointed on the 1st July 1899 as Assistant in Charge at Newchwang. Here he remained during the Boxer uprising and the subsequent occupation of the port by the Russians. For his distinguished services during this very difficult time he was promoted on the 17th March 1903 full Commissioner—a promotion to which the warm commendation of the late Admiral Alexieff—then Russian Viceroy in the Far East—contributed not a little. For two and a half months (1st April to 16th June) in 1905 he was detached for special duty at Seoul, and on his return served as Commissioner at Soochow, Amoy, and Moukden before being summoned to Peking to take up the post of Chief Secretary, a post which he held from the 1st June 1910 to the 31st December 1923, during which incumbency of thirteen and a half years he served as Officiating Inspector General on no fewer than four occasions: (1) from the 1st July to 21st September 1913; (2) from the 12th September 1918 to 6th January 1919; (3) from the 8th May to 8th December 1920; and (4) from the 5th April to 5th November 1923. He was appointed to the Non-Resident Secretaryship in London from the 1st January 1924 and held that post to the 17th October 1926. After seven and a half month's leave he retired on the 31st May 1927. Bowra is a Barrister-at-Law of the Inner Temple, and holds the following distinctions and decorations: Civil Rank of the 3rd and the 2nd Classes; Order of the Double Dragon, 1st Class of the 3rd Division; Officier de l'Ordre Royal du Cambodge; Order of the Chia Ho, 3rd Class, 2nd Class, 2nd Class with Grand Cordon, and 2nd Class with Brilliants and Grand Cordon; Order of the Wên Hu, 2nd Class; 3rd Class of the Imperial Order of the Rising Sun, Japan; Knight of the 1st Class of the Order of St. Olaf, Norway; and the China Expedition Medal, 1900, Great Britain.

The Swatow Commissioner to the Inspector General.

No. 4992.

I.G.

SWATOW, 3rd May 1916.

SIR,

1.—In reply to your despatch No. 1531/60,819:

Revenue remittances: query *re* mode of:

I have the honour to state that it is more remunerative for the Bank of China to ship dollars to Shanghai than to remit through a foreign bank. The first method costs roughly about $1\frac{1}{2}$ per cent and the second 4 per cent.

2.—The Customs, however, lose about 1 per cent on the outturn of the dollars in Shanghai due to the number of chopped dollars, received in payment of duty, in a consignment. I have pointed this fact out to the manager and asked him to make good the "loss by exchange," but while he quite recognises the reasonableness of my request, he begs that, before insisting further, the question be referred to you with the petition that the revenue bear the loss. His pleas are—

- (a.) He receives no remuneration for the collection of revenue;
- (b.) He has to pay interest on revenue moneys that lie too short a time in his hands to be made use of;
- (c.) He is put to so much extra expense by the present unsettled condition of affairs and the restrictions laid upon him by the rebels that he thinks the Customs should help him by defraying the "loss by exchange."

Strictly speaking, the bank should make good this loss, but as it has done all in its power to safeguard the revenue by making regular remittances to Shanghai, etc., I beg to submit the question whether it would not be well to yield to the manager's petition and debit the "loss by exchange" to Revenue Account.

3.—The losses on the first two consignments are—

1st April.—Remittance No. 205:

Foreign revenue, *Hk.Tls.* 10,409.634; loss, *Hk.Tls.* 114.275.

5th April.—Remittance No. 206:

Foreign revenue, *Hk.Tls.* 12,385.859; loss, *Hk.Tls.* 193.193.

4.—Should you decide that the bank must bear the “loss by exchange,” I beg to inquire whether the correct treatment of the transaction will be to enter it under the heading “*E. Recovery*” of form [*B.—6*], Report on Collection and Remittance.

I have, etc.,

W. G. LAY,
Commissioner.

The Inspector General to the Swatow Commissioner.

No. 1539. Commrs.
Swatow. No. 61,108.

PEKING, 17th May 1916.

SIR,

I am directed by the Inspector General to acknowledge receipt of your despatch No. 4992:

Asking for instructions regarding losses by exchange on revenue remittances of dollars to Shanghai:

and, in reply, to say that in the circumstances explained the loss already incurred may be charged to Revenue Account, but you are to point out to the manager of the bank that the proper remedy is to refuse to accept any but clean dollars in payment of duty, or if chopped dollars are so established as local currency that their rejection is inadvisable, they should not be taken by count but only by weight, or if taken by count your dollar rate should be advanced to cover the loss. Strictly speaking, it is not permissible to accept chopped dollars by count, and revenue must be protected against loss incurred in outturn at Shanghai from this cause.

You are to report further on this subject after you have gone thoroughly into the question of your dollar rate and your banker's acceptance of dollars. The Canton office only accepts by count clean dollars of not less than 72 candareens of a K'up'ing tael and 90 per cent fineness in payment of duty at the rate *Hk.Tls.* 100 = \$156.65.

I am, etc.,

C. A. V. BOWRA,
Chief Secretary.

The Swatow Commissioner to the Inspector General.

No. 5003.

I.G.

SWATOW, 30th May 1916.

SIR,

1.—I have the honour to acknowledge receipt of your despatch No. 1,539/61,108:

Revenue collection: loss on remittance of chopped dollars may be charged to Revenue Account: question of collecting rate to be studied and reported on:

and to report as follows on the three alternatives for payment of duty you direct my attention to:—

- 1°. *Refuse to accept any but clean dollars.*—The insurmountable obstacle to this course is the insufficiency of clean dollars in Swatow.
- 2°. *If rejection of chopped dollars inadvisable, to take by weight and not by count.*—The objections to this plan are the immense trouble to the banker, owing to the six kinds of dollars current here, and the difficulty of arriving at a just rate for payment of duty. The decision would be in the banker's hands and would lead to disputes with the merchants.
- 3°. *To advance the dollar rate.*—The banker considers this the best plan, so I beg to recommend that it be adopted.

2.—As regards my recommendation to raise the rate for payment of duty in chopped dollars, I have the honour to state that the rate for April worked out at *Hk.Tls.* 100 = \$156.12, so, to make sure of no loss on the outturn in Shanghai, I would beg to propose that the rate be fixed at *Hk.Tls.* 100 = \$156.50 or \$157. The manager of the Bank of China considers that there will be no difficulty in collecting revenue at either rate, especially if the measure is announced as temporary.

3.—I beg to enclose copy of my Accountant Mr. C. G. C. Asker's memo. on the subject.

I have, etc.,

W. G. LAY,
Commissioner.

SUB-ENCLOSURE.

MR. ASSISTANT ASKER'S MEMORANDUM TO
COMMISSIONER *RE* REVENUE
COLLECTING RATE.

With reference to the Inspector General's despatch No. 1539 and the three different methods of collecting revenue mentioned therein, I beg to submit the following remarks:—

1. *Collecting clean dollars.*—I have, after careful investigations, ascertained that there are not enough clean dollars in this port to make it advisable or even possible to enforce the collecting of this kind of dollars only.

2. *Collecting chopped dollars by weight.*—The bank informs me that the method of collecting chopped dollars by weight would be a most laborious task, especially when collecting small sums in subsidiary coins. If the revenue were collected in one kind of dollars this method would be possible, although not advisable, as can be seen from the following figures supplied by the bank showing the amount of dollars corresponding to *Hk.Tls.* 100 when collecting by weight:—

Clean Mexican dollars	\$139.52	} = <i>Hk.Tls.</i> 100.
New dollars	140.14	
Chopped dollars	139.90	
„ Straits Settlements dollars	139.99	
„ Japanese silver yen	139.90	

To the above figures must be added about 10 per cent make-up for fineness, and the total figure then arrived at will be something just under 154, the rate at which we at present are collecting, and which has proved far too low.

However, payments of duties are made in at least six different kinds of dollars, most of which vary in fineness, and consequently the above-mentioned method can be considered impracticable. Example: a payment of duties amounting to \$450 was made in the following way:—

Straits Settlements dollars	\$146
Japanese yen	139
Mexican dollars	116
Indo-China	40
Others	9
TOTAL	<u>\$450</u>

3. *Collecting chopped dollars by count at an increased rate.*—This method seems to be the only suitable one whereby to safeguard the revenue against loss during these disturbed times when the money has to be shipped to Shanghai.

Mr. Brandt estimates that if the revenue for last month had been collected at the rate *Hk.Tls.* 100 = \$156.12, there would have been no loss or gain by exchange providing the bank paid (which it has done) freight and shipping charges. I beg therefore to suggest that, in order to safeguard the revenue against loss on account of the present high cost of remitting to Shanghai, the collecting rate be temporarily raised to *Hk.Tls.* 100 = \$156.50 and that the bank should continue to pay for the above-mentioned charges.

C. G. ASKER,

3rd Assistant, A.

The Inspector General to the Swatow Commissioner.

No. 1556.	Commrs.
Swatow.	61,459.

PEKING, 17th June 1916.

SIR,

I am directed by the Inspector General to acknowledge receipt of your despatch No. 5003:

Reporting in reply to I.G. despatch No. 1539/61,108 on your present collecting rate and recommending that it be raised:

and, in reply, to authorise you to adopt the Canton rate of *Hk.Tls.* 100 = \$156.65 for all dollars accepted by count and to instruct the banker to reject dollars which are seriously deficient owing to being chopped.

I am, etc.,

C. A. V. BOWRA,

Chief Secretary.

The Swatow Commissioner to the Inspector General.

No. 5014.

I.G.

SWATOW, 3rd July 1916.

SIR,

1.—I have the honour to acknowledge receipt of your despatch No. 1556/61,459:

Revenue collection: Canton rate to be adopted;
instructions:

and to state that, on issuing a notice to the effect that the duty-paying rate would be raised from 1st July, I met with such protests from Chinese and foreign merchants alike that I deemed it wise to postpone introduction of any change until I could refer the question again to you.

2.—Mr. Butcher, of Messrs. Bradley & Co., mentioned the matter to me privately last Tuesday night, so I asked him to come to the office and give me his views on the subject officially. Accordingly, next day he called and explained the great hardship to merchants involved by a sudden increase in the duty-paying rate of nearly 2 per cent when trade was already sufficiently penalised by the bank's refusal to accept what the local market regards as good dollars, and that he and all the other merchants would use every means in their power to escape this extra payment by which the bank alone would gain. I listened to what he had to say and suggested that he should write me officially. On the 30th June the secretary of the British Chamber of Commerce sent me a letter, copy enclosed, which I consider most unconvincing in its arguments. I can find in no treaty the "Mexican tael" rate quoted, and I fail to see why the rate should be *Hk.Tls.* 100 = \$150 simply because that rate prevails at Shanghai. The merchants' only valid plea, I am of opinion, is that put forward by the delegates of the Chinese Chamber of Commerce when they interviewed me on the 28th ultimo, namely, the heavy loss they will be called upon to bear in the event of the duty-paying rate being raised—a plea I have much sympathy with. I have the honour to enclose copy of the Chinese Chamber of Commerce letter* begging, in view of the hampering of trade by the declaration of independence, the great favour of reversion to the original rate.

* Not printed.

3.—Before reporting the case to you in No. 5003 of 30th May last I made inquiries as to any opposition that might arise, and received assurances from various quarters that none would be offered by the Chinese to an increase like the one I proposed. Foreign opinion I did not consult, as their duty payments are so inconsiderable when compared with Chinese ones, hence I am much surprised to learn that the matter is one which, if pushed by us, will lead to reference to Consuls and Ministers. The question therefore arises whether it is of sufficient importance to engage in a fight over—a fight, too, in which we may come off second best and lose prestige. I am in favour of fighting to the bitter end when Customs rights and interests are involved, but in this case none are attacked, and the sole gainer will be the Bank of China, unless we make the revenue suffer, hence I would beg to inquire whether it is worth our while to go to extremes and incur much odium unnecessarily.

4.—In view, therefore, of the facts that it will be a great boon for Chinese trade to leave the rate as at present and the uncertainty of the result of a fight with foreign merchants, I have the honour to recommend that the duty-paying rate remain at its present level of *Hk.Tls.* 100 = \$154, which the Bank of Taiwan granted for cashing tael cheques on Swatow official accounts and adopted for collection of duty without any protest whatever being filed at this office—see Swatow despatch No. 4440 of 15th December 1911. The rate for duty was supposed to be, as formerly, *Hk.Tls.* 100 weight of silver for *Hk.Tls.* 100.

5.—Should you approve of this recommendation, I would beg to inquire whether the bank or the revenue should bear the loss by exchange. It would seem reasonable to lay the burden upon the former, but it has met with much difficulty since the declaration of independence, gets no remuneration for collection, and has official moneys too short a time in its hands for much use to be made of them. The following are the loss by exchange figures for the months of April and May:—

	APRIL.	MAY.	TOTAL.
	<i>Hk.Tls.</i>	<i>Hk.Tls.</i>	<i>Hk.Tls.</i>
Foreign revenue . .	879.582	805.266	1,684.848
Native „ . .	111.946	116.891	228.837
	<hr/>	<hr/>	<hr/>
TOTAL . . .	991.528	922.157	1,913.685
	<hr/>	<hr/>	<hr/>

6.—With reference to Mr. Butcher's remarks to me about the shortage of dollars on the market, and to the British Chamber's reference to the same, I am making inquiries as to the cost of drafts on Shanghai, but so far have met with no success, as the rates asked, especially by the only foreign bank here, are so heavy.

I have, etc.,

W. G. LAY,
Commissioner.

SUB-ENCLOSURE.

The British Chamber of Commerce to the Swatow Commissioner.

SWATOW, 30th June 1916.

SIR,

I am directed by the British merchants of this port to lodge a firm protest against the fixture of the Customs revenue collecting rate at *Hk.Tls.* 100 = \$156.65, as notified to come into effect from 1st July, and to add that it is the unanimous opinion of the members of this Chamber—shared by our friends the Standard Oil Company of New York and the Deli Planters Association—that this rate is an unfair and unreasonable exaction on the part of the bank concerned.

Customs duties are properly collectable *in silver by weight* at the equivalent of *Tls.* 100 Haikwan to *Tls.* 110 Mexican, that is, the Haikwan scale is fixed at a premium of 10 per cent: there can be no fluctuation in this established ratio, it being a fixed value of the Mexican dollar when used for the payment of duties; bankers' profits and/or loss in exchange on remittances do not come into the question.

The collection of Customs duties has for the last five years been solely in the hands of a single bank, who, holding the monopoly, have been in a position to impose conditions of payment to suit their convenience without regard to this fixed Mexican equivalent: for instance, before the Revolution of 1911 the three native banks empowered to receive Customs revenue worked on

the local rate of *Hk.Tls.* 100 = \$153.50 (the Mexican dollar weighs 72.32 taels \times 153.50 = *Tls.* 111.0112, say an increase of 1 per cent over the standard), but when the Bank of Taiwan took over the collection of duties in 1911, this local rate was raised by them to 154 (on the foregoing calculation = *Tls.* 111.3728), which, although a further rise on the standard, was tacitly accepted by the merchants after some opposition, as they were permitted a certain latitude in respect to payments in paper; the proposed change to \$156.65 in clean silver, an additional demand of \$2.65 in silver per 100 Haikwan taels, is, however, an arbitrary increase not justified by any consideration and one in which we feel it impossible to acquiesce.

In other words, we wish to protest against the system which permits the local branch of the Bank of China to exploit merchants to the extent of \$6.65 per 100 Haikwan taels, \$156.65 clean dollars being required of them as against 150 of these same dollars from the merchants in Shanghai.

The premium imposed by former collecting agencies was, to a certain extent, warranted by the fact that actual silver payments were not required, but, in addition to the increased rate now to be enforced, the Bank of China demand *clean silver*, or dollars only slightly chopped, which stand at a heavy premium in the market over and above their intrinsic weight value; therefore any argument by the Bank of China that they are compelled to increase the rate to compensate themselves for a relative loss in exchange is, we think, thus effectually disposed of, the logical conclusion of these premises being that the rate should be reduced instead of raised.

I would also bring to your notice that there is only a limited supply of clean dollars current in the port. To conserve this small available quantity, and to steady exchanges by maintaining the native banks' reserves of silver, the Chinese Bankers Guild have recently prohibited the free export of dollars, and while there can be no objection to the Customs Bank requiring payment of revenue in this coin, it is necessary and very important that the silver should be released in turn for local circulation. We believe, however, that the Customs have made large shipments of silver, collected in revenue, to Shanghai, which has caused a serious depletion in the local market, and a continuance of this method of transferring funds will eventually lead to a shortage, with inability of local merchants to procure sufficient silver for the payment of duties. We trust, therefore, that this important matter will also receive your attention.

In regard to a rate for the payment of duties here, we propose that a fair measure would be to base the rate on the Shanghai equivalent of *Mexican* \$150 to *Hk.Tls.* 100, *plus* the local market difference between the particular silver offered and clean Mexican dollars; this would protect the bank against the discount on inferior silver.

The relative exchange between this port and Shanghai for remittances of Customs funds is, however, not one in which the public are concerned, they merely being required to pay the Customs Bank here, as in Shanghai, *Mexican Tls.* 110 per *Hk.Tls.* 100, which the bank can convert into any currency it chooses.

I am, etc.,

S. BARKER,
Hon. Secretary.

The Inspector General to the Swatow Commissioner.

No. 1569.	<u>Commrs.</u>
Swatow.	No. 61,940.

PEKING, 21st July 1916.

SIR,

1.—I have to acknowledge the receipt of your despatch No. 5014:

Forwarding copies of letters from the Chinese and British Chambers of Commerce protesting against the proposed change in the rate for acceptance of dollars tendered in payment of duty:

and, in reply, to say that as the British Chamber raises several controversial issues it will be best to postpone the change until they have been considered and met.

2.—Shorn of irrelevant issues, such as the cost of remittance of collection to Shanghai, which, of course, should not fall on duty payers, the question is a very simple one and may be stated thus: is the Chinese Government actually receiving at Swatow at present rates the equivalent of the amounts in Haikwan tael sycee it is entitled to by treaty? I think it can be demonstrated that it is not doing so, seeing that shipments of silver to Shanghai—unavoidable

in present circumstances—representing a given number of Haikwan taels at Swatow do not produce the same number of Haikwan taels at Shanghai. The cost of moving this silver—namely, packing, freight, insurance, coolie hire, wharfage dues, etc.—is a proper charge on the revenue, and should not be confused with the loss by exchange when the dollars are credited at Shanghai. If the Swatow rates were adequate, there should be no such loss, seeing that the dollars are merely silver bullion acceptable not by count but by weight, with the final test of the melting pot to be appealed to if necessary. It has been ascertained after a series of tests that the proper rate at which the Customs can afford to receive dollars by count is *Hk.Tls.* 100 = \$156.65—and these dollars are clean dollars weighing K'up'ing taels 72 candareens and containing 90 per cent of pure silver. For dollars which do not attain this standard, or that are chopped, the rate should of course be higher.

3.—It is erroneous to say that the Customs require payment in dollars or any other coin. Local dollar currency is merely accepted for the convenience of the merchants. What is *required* is payment in *silver* by weight according to the Haikwan tael standard, and it is obviously for the Customs and not the merchant to decide the rates at which dollars in these circumstances may be received by count.

Mr. Butcher does not give any authority for his statements or for the rates quoted by him, but whatever his authority may be, it cannot override the treaty. By Article 33 of the 1858 Treaty of Tientsin duties are payable “either in sycee or in foreign money according to the Assay made at Canton on 13th July 1843.” The foreign moneys mentioned in that Assay are new rupees, new Peruvian dollars, new Mexican dollars, new Bolivian dollars, and new Chilian dollars. If, therefore, newly minted dollars, that have not been in circulation, of any of the above currencies are tendered in payment of duty, the Customs are bound to accept them at the rates given in the Canton Assay, but they are not bound to accept at these rates any other dollar coins than those specified. With the exception of Mexican dollars to a limited extent none of the currencies mentioned are now in circulation in the treaty ports of China. Their place has been taken by a more or less standard Chinese coin which the Customs are willing to accept by count at rates fixed by reference to the standard weight and contents of the coin. It can be shown that at Swatow the Chinese Government is not receiving at the present fixed rate the amount of duty it is entitled to by treaty, and the interests of China's creditors make it desirable to alter the rate without undue delay.

You are to reply to the letter of the British Chamber of Commerce contesting the theories and arguments advanced, and you are to add that while it is not proposed to raise the rate too suddenly, it must eventually be raised to the point at which, shipment charges apart, the outturn of the silver dollars at Shanghai shows no loss by exchange.

I am, etc.,

F. A. AGLEN,
Inspector General.

ENCLOSURE No. 2.

CANTON ASSAY.

(Reproduced from "The Chinese Repository," Vol. XIV, p. 246.)

The assay was made at the Spanish factory in presence of persons whose names are subjoined. . . .

	T.	M.	C.	C.
1. Twenty new rupees weighed before being melted ..	6	2	0	3
Weighed after being melted, remelted, and cast into a shoe of pure sycee silver	5	6	5	0
Loss of weight	0	5	5	3
Thus 100 taels of rupees are equal to pure sycee ..	91	0	8	5
Making a difference per centum of	8	9	1	5
And in order to pay 100 taels of pure sycee in rupees, it would be necessary to pay	109	7	9	0
2. Five new Peruvian dollars weighed before being melted ..	3	6	0	0
After being melted, remelted, etc., as above	3	2	3	0
Loss of weight	0	3	7	0
Thus 100 taels of Peruvian dollars are equal to pure sycee	89	7	2	2½
Making a difference per centum of	10	2	7	7½
And in order to pay 100 taels of pure sycee in Peruvian dollars, it would be necessary to pay	111	4	5	5
3. Five new Mexican dollars weighed before being melted ..	3	5	7	5
After being melted, remelted, etc., as above	3	1	9	5
Loss of weight	0	3	8	0
Thus 100 taels of Mexican dollars are equal to pure sycee	89	3	7	1
Making a difference per centum of	10	6	2	9
And in order to pay 100 taels of pure sycee in Mexican dollars, it would be necessary to pay	111	9	0	0

4. Five new Bolivian dollars weighed before being melted	3	6	0	0
After being melted, remelted, etc., as above	3	2	1	0
Loss of weight	0	3	9	0
Thus 100 taels of Bolivian dollars are equal to pure sycee	89	1	6	7
Making a difference per centum of	10	8	3	3
And in order to pay 100 taels of pure sycee in Bolivian dollars, it would be necessary to pay	112	1	5	0
5. Five new Chilian dollars weighed before being melted	3	5	9	5
After being melted, remelted, etc., as above	3	1	9	5
Loss of weight	0	4	0	0
Thus 100 taels of Chilian dollars are equal to pure sycee	88	8	7	0
Making a difference per centum of	11	1	3	0
And in order to pay 100 taels of pure sycee in Chilian dollars, it would be necessary to pay	112	5	2	0
6. Five dollars in broken money (such as is paid away at Canton by weight and called by the Chinese <i>sui yin</i> 碎銀) weighed before being melted	3	6	0	0
After being melted, remelted, etc., as above	3	1	8	0
Loss of weight	0	4	2	0
Thus 100 taels of broken silver are equal to pure silver	88	3	3	4
Making a difference per centum of	11	6	6	6
And in order to pay 100 taels of pure sycee in broken dollars, it would be necessary to pay	113	2	0	7

Most necessary to be borne in mind.

N.B.—1. These monies were weighed by the shroffs' weights; and the hoppo's weights are 4 mace 5 cans. per 100 taels, or $\frac{1}{2}$ per cent *heavier very nearly*.

2. In addition to the above, which merely shews the difference between the monies and pure silver, will be the expense of melting, remelting, etc., etc., 1*t.* 2*m.* per 100 taels, or $1\frac{1}{2}$ per cent.

Táukwáng, 23d year, 6th moon, and 16th day (13th of July, 1843).

In the presence of 錢燕貽 Tsien Yení, an officer of the 5th rank, attached to the imperial commissioner Kíying 耆英, Hiá Wansui 廈文匯, treasurer to the grand hoppo of Canton, and Wan Fung 文豐.

Capt. G. Balfour.

R. Thom,

*Assist. trans. and interpreter to
H.M.'s Comm. in China.*

ENCLOSURE No. 3.

STATEMENT SHOWING RESULT OF INVESTIGATIONS
MADE AT CANTON TO DETERMINE THE RATE AT
WHICH CLEAN GOVERNMENT DOLLARS SHOULD
EXCHANGE FOR HAIKWAN TAEELS.

The Government dollar as coined at the Tientsin and Canton Mints, which may be accepted by the Customs as a standard dollar, is, according to the Mint authorities, a coin weighing 72 candareens of the K'up'ing tael employed by the Mint and containing 90 per cent of pure silver. A K'up'ing 100-tael weight, used by the Mint and inscribed on the side 中華民國二年九月置財政部天津造幣廠 and on the top 庫平壹百兩, was lent to the Canton Commissioner, who compared it with the Haikwan banker's weights with the following results:—

Mint K'up'ing Tls. 100 = Ssü Ma Tls. 99.55.

= 九九七平 Tls. 99.85.

= Hk. Tls. 99.15.

This last result was obtained by direct comparison with the Haikwan tael weights as well as by calculations from the established ratio between 九九七平 and Haikwan taels. This ratio is arrived at as follows:—

The standard scale at Canton is the Ssü Ma P'ing (司碼平), or Treasury scale. The scale in common use in commercial transactions is the 九九七平.

Tls. 1,000 Ssü Ma P'ing = Hk. Tls. 996.

∴ Tls. $\frac{1,000}{.996}$ or 1,004.016 Ssü Ma Tls. =
Hk. Tls. 1,000.

Tls. 1,000 九九七平 = Ssü Ma Tls. 997.

∴ 九九七平 Tls. $\frac{1,004.016}{.997}$ = Hk. Tls.
1,000.

Hk. Tls. 1,000 = 九九七平 Tls. 1,007.037, and in practice Hk. Tls. 100 are taken to equal 九九七平 Tls. 100.70.

九九七平 Tls. 100.70 = Mint K'up'ing
Tls. $\frac{100.70}{.9985}$.

∴ Hk. Tls. 100 = Mint K'up'ing Tls. 100.85.

To Mint *K'up'ing Tls.* 100.85 of dollars 90 per cent fine add one-ninth, or $11\frac{1}{9}$ per cent, to make up for deficiency in fineness.

$100.85 \times 1.11\frac{1}{9} = 112.056$, *i.e.*, it would require Mint *K'up'ing Tls.* 112.056 of dollars to contain *Hk.Tls.* 100 of pure silver: and since each dollar weighs Mint *K'up'ing* taels 0.72, the number of dollars required to pay *Hk.Tls.* 100 of duty is $\frac{112.056}{.72}$, or \$155.63.

The allowance—of $11\frac{1}{9}$ per cent added to *K'up'ing Tls.* 100.85 of 90 per cent fine dollars—is calculated as follows: 90 taels weight of pure silver is contained in 100 taels of dollar silver and it will therefore require $111\frac{1}{9}$ taels of the latter to produce 100 taels of pure silver in the melting pot $\left(\frac{100 \times 100}{90} = 111\frac{1}{9}\right)$.

ENCLOSURE No. 4.

RULES FOR GOVERNING THE COLLECTION OF DUTY AT CANTON.

1.—Duties may be paid in clean silver dollars or in notes of the Bank of China and of the foreign banks authorised to issue notes at Hongkong.

2.—The standard of value for duties paid in silver dollars is a clean dollar (成圓) weighing *K'up'ing* taels 0.72 and containing 90 per cent of pure silver. Clean dollars of full weight and fineness according to this standard will be accepted by count at the rate of *Hk.Tls.* 100 = \$156.65.

3.—Notes of the Bank of China and of the various foreign banks will be accepted at rates based on the daily quotations of their respective market values, as compared with dollars of standard weight and fineness.

4.—Subsidiary coins will be received only for fractional parts of a dollar—and then only at their market value as compared with dollars of standard weight and fineness.

5.—Defaced and mutilated dollars will not be received in payment of duty.

CIRCULAR No. 2558 (SECOND SERIES).

Conservancy and reclamation questions: Shanghai conservancy permit notified; instructions.

INSPECTORATE GENERAL OF CUSTOMS,
PEKING, 5th September 1916.

SIR,

With reference to Circulars Nos. 331,* 1311, 2064,† and 2431:‡

On the subject of harbour conservancy, wharf construction, etc., and the attitude to be observed by Commissioners in such matters:

I now append, for your information and guidance, copy of despatch No. 1779/I.G., from the Coast Inspector, in which, besides the reiteration of certain principles in this connexion with which you are already familiar, he gives an extract from the conservancy permit as issued at Shanghai. The wording of this permit may be useful as an exemplar to Commissioners when dealing with harbour conservancy and reclamation questions.

I am, etc.,

CECIL A. V. BOWRA,
For Inspector General.

ENCLOSURE.

The Coast Inspector to the Inspector General.

No. 1779.

I.G.

SHANGHAI, 17th August 1916.

SIR,

1.—In recent correspondence with Swatow on the subject of a projected reclamation of a part of the wide mudbank on the northern side of the harbour, I had occasion to refer to a previous

* *Antea*, vol. i, p. 504. † *Antea*, vol. iii, p. 134. ‡ *Antea*, vol. iii, p. 274.

despatch—No. 139/3954, Swatow, of the 12th May 1915—on the same subject. I find that in that despatch I expressed an opinion which it now seems proper should be reported to you, and this I have therefore the honour to do.

An extract from the despatch, concerning the general opinion expressed, is as follows:—

“The sole function of the Customs in regard to reclamation works is to do its best to provide that no detriment is caused to the harbour. We do not—or should not—give permission for such works. We merely give an expression of absence of objection from a conservancy standpoint. The permission, so far as the ownership of the land is concerned, is of course for the territorial authority. When a dispute arises as to ownership or as to right of way, this is not, in general, a matter for the Customs to interfere with on behalf of one of the parties. It is a matter for the national authority concerned.

“In case you have not got it on record I will quote here an extract from the conservancy permit as issued at Shanghai:—

“It should be clearly understood that the approval of the proposed work notified above is simply a non-objection on the part of this Office from a conservancy standpoint, and is not to be held as giving or establishing any land or frontage rights, or as barring in any way the rights or claims which the Chinese Government or the territorial authorities may have in this connexion.”

2.—Further, in my despatch No. 150/4292, Swatow, of to-day's date, in which I refer to the foregoing, I say—

“I have long desired to draw up a memorandum expressing my views on the duty of the Customs in respect to conservancy matters and reclamations, in amplification of the views quoted in I.G. Circular No. 1311, but I have not yet found time to do so.*

* Mr. Tyler subsequently wrote this memorandum, which was issued as a Customs publication under the title “Conservancy Matters at Treaty Ports,” No. 116 in the Office Series, Shanghai, 1920.

"In the meantime I would express the broad view that it is our duty to advise the Chinese officials in regard to these matters, to bring such pressure as may be possible to secure uniform and just practices in respect to them, and to watch the public interests in all matters arising out of reclamations, such as the provision of roads and how that provision can most advisedly be made."

I have, etc.,

W. F. TYLER,*

Coast Inspector.

* William Ferdinand Tyler was born on the 11th December, 1865, at Dinder in Somerset. After two years' education on the training ship *Worcester* he had three years' experience in sailing ships, after which he joined H.M.S. *Leander* as Sub-Lieutenant, R.N.R., then on the China Station. After a year's service in the British Navy he joined, on the 11th March 1889, the Chinese Customs Service as a 3rd Officer in the Marine Department. From that date till the 31st August 1894 he served in the Customs cruisers *Likin*, *Kaipan*, and *Pingching* in various capacities, rising to be Acting 1st Officer on the last named. From the 1st September 1894 to the 15th March 1895 he served with distinction with the Chinese Navy during the hostilities against Japan, and was present at the battle of the Yalu and through the siege of Weihaiwei. From the 15th June 1896 to 11th July 1903 he was stationed at Shanghai, serving first as an Assistant in the Harbour Office, then as Deputy Coast Inspector and Harbour Master, and finally as Coast Inspector, a post to which he was appointed on the 1st July 1903. He held this post with great ability to the 30th September 1918, when he resigned at the invitation of the Government to take up the position of Adviser to the Ministry of Communications and to the Ministry of the Navy. As Adviser he was concerned mostly with conservancy matters and in the drafting of a shipping law for China. He resigned in 1920 after attending the Barcelona Conference on Transit and Communications. Four times during his term as Coast Inspector Tyler was detached for special duty: first, in 1903, when he helped to survey the Yellow River from Tsinan to the sea; the second time from the 1st February to 20th December 1906, when he acted as Secretary to the Chinese Navy; the third time, from the 24th July to 3rd September 1913, when he was again engaged on special work for the Chinese Navy; and the fourth time, from the 1st July to 30th September 1918, when he was detached for special duty in connexion with the Chihli River Commission (established in 1917 on the recommendation of Mr.—afterwards Sir Frederick—Maze, then Commissioner in Tientsin, for the study of the Chihli river system with a view to finding a solution for the complex problem of improving the navigability of the Taku Bar). Tyler holds Civil Rank of the 3rd Class; the Order of the Double Dragon, 1st Class of the 3rd Division and 3rd Class of the 2nd Division; the Peacock's Feather; the Order of the Wên Hu, 2nd Class; and the Gold Medal of Honour from the French Government. He has written a most interesting account of his colourful career in "Pulling Strings in China," London, 1929.

CIRCULAR No. 2561 (SECOND SERIES).

Examination of cargo: change in Shanghai practice notified; increased vigilance at ports necessary; report on methods of examination at all ports called for.

INSPECTORATE GENERAL OF CUSTOMS,
PEKING, 13th September 1916.

SIR,

From the copy of Shanghai despatch No. 14,054 and its enclosures (four) appended hereto you will see that it has become necessary to devote more time and attention at Shanghai to the examination of imports from all places and of exports and re-exports abroad, and that in regard to the examination of re-exports and exports to treaty ports or leased territories certain modifications in practice have been introduced that will in future throw on ports at destination the responsibility of examining carefully everything that comes from Shanghai.

In view of the instructions of Circular No. 16 of 1874, upon which port practice in this respect is presumably based, it is to be hoped that examination of Shanghai cargo by the ports concerned is already sufficiently thorough. But should changes be required to safeguard the revenue in regard to the development now notified, the necessary arrangements are to be made. An essential point for outports to note in this connexion is that the only form of substitution which really hurts the revenue is that of native for foreign, inferior for superior, goods, or *vice versa*. Over-rigidity in the examination of goods should therefore be guarded against. If the goods examined at an outport are of the same quality and class, a want of exact correspondence with the declaration made at Shanghai is not of great importance.

The moment seems an opportune one to make a thorough inquiry into the methods of cargo examination at your port. You will therefore instruct your Deputy Commissioner or senior Assistant to go personally into the question and submit for transmission to myself a concise report on the lines suggested in § 4 of Circular No. 21 of 1868.

A reply to this Circular is required without undue delay from every port and sub-port.

I am, etc.,

CECIL A. V. BOWRA,
For Inspector General.

ENCLOSURE.

The Shanghai Commissioner to the Inspector General.

No. 14,054.

I.G.

SHANGHAI, 23rd August 1916.

SIR,

1.—Owing to the weakness of the examining staff here, it has been necessary to revise our system of examining exports and re-exports, and I now have the honour to forward, enclosed, copy of an order I am issuing, which shows the practice followed up till now and the modifications it has been necessary to introduce.

2.—Practically, we can no longer be responsible for the examination of any exports or re-exports to native or leased ports and must leave it to the port of destination to examine everything that arrives from Shanghai. As will be seen, we shall continue to examine a proportion of outgoing goods; but as it is generally impossible for us to secure that the goods we examine are actually shipped, this will not relieve the other ports at all.

3.—I therefore venture to suggest that a Circular be issued by the Inspector General calling the attention of Commissioners to the increased necessity for very careful examination of all imports.

4.—I do not, of course, know to what extent the various ports have been accustomed to rely on examination at Shanghai, but there is reason to believe that it is their custom to do so in certain cases. For instance, one office, it appears, never examines goods under exemption certificate; and it is possible that the articles specially mentioned on the enclosed list—circulated by this office in 1910—as examined at Shanghai may be passed without examination at some ports.

5.—It is hardly necessary for me to point out that examination at the ports which is confined to the nature and quantity of direct imports leaves open a very wide door for fraud—known to be extensively practised here—by means of the substitution of native for foreign, or inferior for superior, goods shipped coastwise as re-exports but really either produced locally or imported through

non-duty-paying channels. The danger of this form of fraud—much increased since Shanghai has taken to manufacturing foreign-type articles of all kinds—has only to be realised for it to be seen at once—

- (1.) That all goods imported at the outports *declared as foreign* require careful examination on arrival—whether under exemption or any other certificate.
- (2.) That certain kinds of native goods declared as re-exports at Shanghai should be examined at the outports with an eye to their quality, origin, and identity as well as to their agreement with the particulars declared, or given on the Cargo Certificate.

6.—I beg to enclose two lists which may possibly be useful to Commissioners at the ports that draw their supplies from Shanghai. One gives the foreign-type articles manufactured at Shanghai and likely to be declared and shipped as foreign re-exports, and the other the few locally produced native articles that may be recognisable as falsely declared re-exports.

I have, etc.,

F. S. UNWIN,

Commissioner.

SUB-ENCLOSURE No. 1.

EXAMINATION OF RE-EXPORT, TRANSHIPMENT, AND
EXPORT CARGO AT SHANGHAI: COPY OF ORDER
No. 1539 OF 23RD AUGUST 1916 INTRODUCING
MODIFICATIONS IN PRACTICE.

In order to enable Examiners to devote more time and attention to the proper examination of imports from all places and exports and re-exports abroad, the rules applying heretofore to the

examination of exports, re-exports, and transshipments to native—including leased—ports will be modified, as shown below, from this date.

PRESENT PRACTICE.

MODIFICATIONS.

Re-exports for Abroad (including Weihaiwei).

Are all examined except *tea* (under bond to be re-exported abroad within 12 months and not repacked) and special cases which are referred to the Deputy Commissioner.

(No change.)

Re-exports for Kiaochow and Dairen.

These being entitled to draw-back are supposed to be examined. Although special permission is given to pass exports and re-exports for these ports in advance of steamer's arrival, shipment of cargo is usually applied for only after arrival. As the steamers on this run arrive one day and leave the next, it is impossible to examine all cargo in the short space of time available, so that Examiners usually only check marks and numbers without verifying contents.

Checking marks and numbers only is useless and is to be discontinued except by officers on board when specially ordered. It is better to examine less, but thoroughly, than examine everything perfunctorily. Therefore, one out of every five applications for Dairen cargo and Kiaochow cargo is to be marked, at the discretion of the Assistant in charge of the Re-export Desk, for thorough examination. The class of goods to be examined is to be varied as much as possible, so that applicants cannot know whether their cargo will be examined or not.

Re-exports for Treaty Ports (Water borne).

Are as a rule not examined, except—

1°. Ginseng, musk, birds' nests, sharks' fins, deer horns.

Silk and silk piece goods, raw cotton.

Will not be examined at Shanghai unless repacked.

(No change.)

PRESENT PRACTICE.

MODIFICATIONS.

Lead, in pigs.	}	Will not be examined on shipment in Shanghai in future.
Copper and brass.		
2°. Goods re-exported to original place of shipment.		
3°. Foreign goods for which Pass is over three years old.		
4°. Chinese manufactures of foreign type (<i>vide</i> list).	}	

Re-exports for Treaty Ports (Rail borne).

Only one officer at each station attends to this work and time for examination is limited, so that only a few lots are examined each day. Railway-carried goods are passed by the Transit Office, and it is left to the Assistant in charge to decide what goods are to be examined (care is taken not to overburden the Examiner and to vary the class of goods to be examined as much as possible).

(No change.)

Transshipments from Treaty Ports for Abroad.

Are usually examined, unless applied for by agents of importing vessel and/or Cargo Certificate states "for transshipment," it being assumed that steamer agents do not allow any tampering with the cargo and that the goods—as exports for abroad—have been carefully examined at original port of shipment.

(No change.)

PRESENT PRACTICE.

MODIFICATIONS.

Transshipments from Abroad for Treaty Ports.

If applied for by agents of vessel, are usually passed without examination. About 5 per cent of transshipments from Japan are examined; should examination be impracticable, the goods are wired and sealed. All transshipments for Soochow and Hangchow are wired and sealed.

Are invariably to be either examined or wired and sealed.

Transshipments from Treaty Port for Treaty Port.

Are as a rule not examined, except when shipped in broken lots. Valuable cargo, such as ginseng, etc., is examined. Tea and silk are examined at the discretion of the Assistant—on an average one out of three applications.

(No change.)

Exports for Abroad.

Are always examined.

(No change.)

Exports for Treaty Ports.

Chinese manufactures of foreign type, covered by Pass, are generally not examined, except *ad valorem* goods, such as soap, etc. All other native goods are examined.

Only goods paying *ad valorem* duty will be examined in future—principally for value.

F. S. UNWIN,

Commissioner.

SUB-ENCLOSURE No. 2.

TRANSHIPMENT, ETC., CARGO: COPY OF
MEMORANDUM *RE* SHANGHAI
PRACTICE IN 1910.

MEMORANDUM FOR THE . . . OFFICE.

1.—In order that the various Custom Houses may know in a general way how this office treats exports, re-export, and transhipment cargo passing through Shanghai, I am directed to say that—

- (a.) Original exports of native goods from Shanghai to treaty ports are invariably examined.
- (b.) Re-exports of foreign or native goods to treaty ports, whether under drawback or exemption certificate, are not as a rule examined, with the exception of the following cargo, which is invariably examined:—
 - 1°. Silk, silk piece goods, ginseng, opium, and musk.
 - 2°. Perishable goods (fresh fruit, etc.) re-exported after a lapse of a reasonable time.
 - 3°. Re-exports for Dalny.
- (c.) Transhipments from treaty ports to treaty ports are not as a rule examined.
- (d.) Transhipments from treaty ports to foreign countries—
 - 1°. If marked on Cargo Certificate “for transhipment abroad on through B/L,” are not as a rule examined;
 - 2°. If not marked on Cargo Certificate “for transhipment abroad on through B/L,” will be invariably examined. (*N.B.*—This rule seems to have been in abeyance for some time but will be put into force again from 1st November 1910.)
- (e.) Transhipments from foreign countries to treaty ports are not as a rule examined.

This information may assist the ports concerned in deciding in what cases more stringent examination may be necessary.

2.—With regard to imports from treaty ports, all, with the exception of tea, fresh fruit, lorcha cargo, and cargo from Ningpo and Wenchow, are invariably examined.

N. E. BRYANT,

B. O. Commissioner.

SHANGHAI, 22nd October 1910.

SUB-ENCLOSURE No. 3.

LIST OF FOREIGN-TYPE ARTICLES MANUFACTURED
AT SHANGHAI.

List of foreign imports from Shanghai which require careful examination in order to detect substitution of locally made articles for those declared:—

Piece goods generally, *but especially*—

Drills, grey and white.	Thread, cotton.
Jeans, " " "	Soap, bar and toilet.
Sheetings, grey and white.	Candles.
Shirtings, " " "	Socks and stockings.
T-cloths.	Cigars and cigarettes.
Twills, grey.	Leather goods.
Flannelettes, grey, white, and dyed.	Matches.
Singlets and drawers.	Felt.
Blankets.	Clocks.
Woollen fabrics.	Candlewick.
Canvas.	Straw hats.
Yarn, grey.	Paper.
Towels.	Biscuits.

SUB-ENCLOSURE No. 4.

LIST OF NATIVE IMPORTS FROM SHANGHAI WHICH
REQUIRE CAREFUL EXAMINATION IN ORDER TO
DETECT SUBSTITUTION OF LOCAL OR NON-
DUTY-PAID PRODUCTS FOR RE-EXPORTS.

Medicines.

Tea, black and green.

Rice.

,, unfired.

Silk piece goods.

CIRCULAR No. 2566 (SECOND SERIES).

Marine Department and harbour administration: Coast Inspector's position defined; Commissioners responsible for local administration; Harbour Masters to consult Coast Inspector through Commissioners; instructions.

INSPECTORATE GENERAL OF CUSTOMS,
PEKING, *27th September 1916.*

SIR,

1.—My attention has lately been directed to harbour matters at one or two ports where administration has been found wanting, and I think it desirable to say a few words on the subject of harbour administration and harbour control generally. At one port matters connected with the administration of the harbour had been allowed to drift into a state of affairs very little creditable to successive officers in charge, whom, of course, I hold responsible.

2.—The evolution of the Marine Department in relation to harbour administration and control has been a gradual one, and it has proceeded on lines which from the first were conditioned by the essential facts of Service constitution and organisation. For convenience of "Service List" classification and for purposes of internal administration the Service has been divided into Revenue, Marine, and Works Departments, and the duties and responsibilities of these Departments have been defined and separated so far as circumstances permit. But this order does not convey an altogether

accurate idea of the place in the Service polity strictly belonging to the Marine Department. In the eyes of the Chinese Government the Maritime Customs is a revenue organ pure and simple, and administration is based on a system of separate port establishments under responsible officers—Superintendents and Commissioners,—with *revenue* activities embracing all that is essential to the control of shipping. As you are aware, originally and theoretically executive power was vested solely in the Chinese head of the port administration, but force of circumstances combined to lodge executive power and responsibility more and more in the hands of the Superintendent's foreign colleague—the Commissioner of Customs. This tendency was accentuated in the case of harbour administration on account of the largely technical nature of the work. Nevertheless, the principle of dual control and responsibility in respect to all the port's affairs, on the one hand, directly to the Chinese Government and, on the other hand, to the Inspector General, has never been departed from; and it follows that, in so far as the Foreign Inspectorate is concerned, the Commissioner of Customs, and the Commissioner of Customs alone, is personally responsible for the harbour administration of his port. A realisation of the technical difficulties with which a Commissioner, who in most cases was a layman, was confronted in the discharge of his responsibilities led the Inspector General in 1868 to create a Marine Department under a chief in the person of a Marine Commissioner, to whom were confided certain executive powers. At this time the Inspector General had in view, I think, the development of a system which in later years was successfully adopted in the case of the Post Office. This policy was, however, abandoned in 1870 after a two years' trial, and it was never again resumed. Whatever may have been the immediate cause of abandonment, it may, I think, be safely assumed that it was due to a realisation that such a system was incompatible with the proper discharge by Commissioners of Customs of their functions as port administrators. When in 1881 the post of Coast Inspector was created, the executive powers in matters of harbour administration and control that had been designed for his prototype, the Marine Commissioner, were withheld, and to this day the Coast Inspector, as such, has neither been given executive power, nor is he charged with executive responsibility, in matters of port harbour administration. His duties and responsibilities in this connexion are general and supervisory. As the technical head of the Marine Department, all technical matters in connexion with harbour administration come within his purview. To him the Inspector General looks for advice and guidance in harbour affairs, and to him Commissioners of

Customs and their subordinates, the Harbour Masters, should turn for assistance and guidance in all matters of harbour administration that are not of a strictly routine nature. But the responsibility for the harbour administration of the port is the Commissioner's alone, and he must bear the responsibility of deciding how far he can rely on the technical capacity of his technical authority and subordinate, the Harbour Master, in all matters of technical importance. Should maladministration result from his failure to appreciate the importance of a very strict personal attention to all matters of harbour administration and from failure to consult and be guided by the Coast Inspector, a Commissioner will incur a very serious responsibility.

3.—The necessity in the public interest for supervision by the Coast Inspector over harbour affairs generally was long ago recognised, and from time to time special instructions have been issued to enable him to exercise such supervision—to wit, the rule that no new harbour aids to navigation may be established without previous consultation with him; the rule that harbour regulations, whether new or revised, must be submitted to his scrutiny and meet with his approval before being submitted to Superintendent and Inspector General; and the rule that all correspondence on technical matters with which the Marine Department is concerned must be forwarded to the Inspectorate through the Coast Inspector. The same necessity, with more especial reference to the growing needs of modern developments, underlies the instructions of Circular No. 1887.* In these days of ever-increasing size and tonnage of steamers, of port harbour and conservancy works, of special river and ice navigation, it is more than ever desirable that Commissioners, and, through them, their Harbour Masters, should keep in the closest touch with the Coast Inspector. I have every confidence in the skill and technical ability of our Harbour Masters to deal with the ordinary matters of harbour routine; but modern requirements raise questions of a kind which the majority of them are not competent to handle without guidance, or without the assistance which the Coast Inspector and the Marine Department can afford. To enable buoys and aids to navigation to be placed and retained in position with the meticulous exactitude that the safety of modern tonnage now demands may necessitate measures beyond the resources or competence of the local Harbour Master in the shape of supervision and periodical inspections and surveys by the highest technical authority. The growth of conservancy and local harbour works may demand a prevision of coming needs

* *Antea*, vol. iii, p. 64.

and difficulties that Harbour Masters can neither by their training nor experience be expected to afford, while pilotage affairs are so complex and dependent on political considerations that they should be handled entirely by the Commissioner in consultation with the Coast Inspector. I am aware that the majority of Commissioners already conduct their port harbour administration in accordance with the principles I have outlined, but there is a tendency on the part of some to allow a hiatus between the local and the Service technical authority to be maintained, which is a source of danger.

4.—To meet this state of things I have now to lay down the following additional instructions:—

1°. The Coast Inspector is the technical adviser of Harbour Masters and the final technical authority in harbour affairs, and as such he is entitled to be informed of all matters of importance pertaining to Harbour Masters' technical duties.

2°. Harbour Masters should in all cases of doubt and difficulty on technical matters, subject to the Commissioner's approval, write in memorandum form to the Coast Inspector, and in doing so should express their own views freely on such technical matters.

Such memoranda are to be initialled, and, if desired, commented on, by the Commissioners.

3°. Any important opinion expressed by the Coast Inspector in respect to a reference by the Harbour Master is to be embodied in a despatch to the Commissioner.

4°. The Harbour Master, on purely technical matters, will be guided by the advice of the Coast Inspector, subject to the Commissioner's approval. The responsibility of disregarding or of acting contrary to the Coast Inspector's advice on purely technical matters will be assumed by the Commissioner.

5°. The Commissioner will supply the Coast Inspector with such information, in addition to the prescribed reports, concerning navigable channels and fixed and floating aids to navigation as he may desire, and will consult with him for such special or periodical surveys of navigable channels as may be necessary for the proper fixing of buoy positions.

6°. Advantage is to be taken of visits by the Deputy Coast Inspector when visiting lights, etc., to consult him on any point of doubt concerning harbour matters, and the Deputy Coast Inspector will either advise on the matter or will recommend that reference be made to the Coast Inspector.

5.—Generally speaking, I desire that Commissioners should keep in the closest touch with the Coast Inspector in all matters connected with harbour administration, and that Harbour Masters should be encouraged to look to him for guidance and assistance.

I am, etc.,

F. A. AGLEN,
Inspector General.

CIRCULAR NO. 2587 (SECOND SERIES).

**Revenue collection: rates of exchange for dollars tendered in
payment of duty: correspondence with Foochow
Commissioner published; instructions.**

INSPECTORATE GENERAL OF CUSTOMS,
PEKING, 21st November 1916.

SIR,

In continuation of Circular No. 2550:*

Concerning rates of exchange for dollars tendered in
payment of duty:

I enclose for your information copy of correspondence with Foochow, which throws further light on the question. The thorough and practical manner in which the Foochow Commissioner has followed up the hints conveyed in the above Circular I should like to see imitated at other ports where conditions of remittance and exchange call for improvement.

I am, etc.,

F. A. AGLEN,
Inspector General.

* *Antea*, vol. iii, p. 320.

ENCLOSURE.

The Foochow Commissioner to the Inspector General.

No. 5391.

I.G.

FOOCHOW, 2nd October 1916.

SIR,

1.—In conformity with the instructions contained in your Circular No. 2550:

Concerning dollar rates of exchange and remittance in revenue collection:

I have subjected the Foochow system of collection and remittance to a preliminary inquiry on the score of the actual outturn at Shanghai of the amounts collected. That the loss entailed is a high one—relatively much higher than that which led to action being taken at Swatow as referred to in the above-quoted Circular—must be known to the Revenue Audit Department. The object of this despatch is therefore not so much to draw attention to this loss as to submit some remarks upon the attendant circumstances and possible remedies.

2.—In the first place, I should like to keep the subject carefully distinguished into two quite separate and mutually independent aspects, viz.:—

A. *The Foochow collecting rate, 154.08, and its possible amelioration—a question of right based mainly on the treaties;*

B. *The remittance to Shanghai of the dollars collected here, so as to ensure the best outturn at Shanghai no matter at what rate they may have been collected—a question purely of business expediency.*

3.—The present outturn of our revenue at Shanghai, at the fairly average rates of remittance of 70½ to 71, is from *Shanghai Tls.* 108.60 to 109.40 per *Hk.Tls.* 100 collected here. The present rate of freight and insurance on treasure to Shanghai being from 0.35 to 0.45 per cent, it may be assumed that we ought to realise *Tls.* 111, so that we lose under average conditions about 2 per cent of our revenue as the joint result of certain slacknesses in the aforesaid two factors *A* and *B*.

4.—It would seem that factor *B* should come in for attention first, seeing that it can be taken in hand and tested to the fullest

extent without raising any controversy, while, moreover, the results of such a test would form a powerful, if not actually indispensable, argument for attacking *A*, if necessary. So far our revenue has been remitted to Shanghai through foreign banks, *i.e.*, the Hongkong & Shanghai Bank and the Chartered Bank respectively, until May 1916, when I took it upon me to allow the Bank of Taiwan to share in the weekly tendering of remittance rates. The result was that the Chartered Bank has since dropped out of the running entirely and that a close contest ensued between the Hongkong & Shanghai Bank and the Bank of Taiwan, in which the latter mostly secured the remittance at rates which, I feel sure, must be on the average $\frac{1}{2}$ point or $\frac{3}{4}$ per cent better than those obtaining before the Japanese bank entered the field. Yet the actual outturn at Shanghai, as shown above, is still far from satisfactory. The next step would be that we enter the field ourselves as a competitor, our action being confined to shipping the (chop) dollar collection to Shanghai and realising the Shanghai tael equivalent by actual test, incidentally thus finding out a "critical" rate below which it would pay us to repeat this operation and above which we can with advantage accept a bank's rate. This would certainly ensure our getting the best possible equivalent at Shanghai and enable us to base thereon a sound conclusion regarding the weakness of our collecting rate. Moreover, whatever the outcome may be, it must be of advantage to us to gain a practical insight into actual conditions of the money market by applying such a concrete test now and then, and tend to improve the rates quoted by the banks when they realise that we do not consider ourselves absolutely dependent upon them. Finally, should it turn out to be the most profitable course to ship the dollars to Shanghai and a regular habit be started accordingly, it seems to me that we should be contributing in goodly measure towards the final elimination of the chopped dollar from this, one of the last remaining centres of that monetary horror. For it may be assumed that every chopped dollar sent to Shanghai will be melted down there and not returned and that the constant importation of fresh coins and a waning of the pernicious chopping habit will prevent a replenishing of the stock as fast as its depletion through some steady drain, if once started. With your permission, which I shall await before taking action, I therefore propose as a first measure to send a few trial shipments of our revenue dollars to Shanghai.

5.—A point which I do not feel quite sure about is whether the Hongkong & Shanghai Bank at Shanghai would accept the chopped dollars (of which the Foochow revenue is entirely

composed) *as sycee* or treat them as some currency foreign to the port to be merely kept and shipped back when opportunity offers to do so with a profit. I presume the first supposition is correct, and so it should be if the shipment is to answer its purpose as a concrete test. In any case, I suppose it would be possible to have the dollars sold as *sycee* in the open market at Shanghai.

6.—In regard to the possible amelioration of factor *A*—the Foochow fixed rate of dollars received for Haikwan taels duties assessed,—I propose to await the outcome of the above tests. Should our rate prove to be too low, which I think will most likely be the case, it seems to me advisable to start action for its revision as soon as possible. Even if we should not succeed in getting a new rate fixed upon and recognised, it would be a great gain to have the present rate shorn of a significance which it does not possess; to demonstrate that it is assailable and to get it at least labelled “provisional and subject to revision.” The longer we carry on with one rate without such proviso the more it tends to get crystallised and liable to be claimed as an old-standing port privilege or such-like, even if some day the coin affected should have become debased beyond all recognition.

7.—Pending your reply to this despatch, I shall continue my investigation of the somewhat complicated antecedents of our fixed dollar rate, so as to prepare the field as well as we can for future action.

I have, etc.,

T. T. H. FERGUSON,

Commissioner.

The Inspector General to the Foochow Commissioner.

No. 1761. Commrs.
Foochow. No. 62,735.

PEKING, 14th October 1916.

SIR,

I am directed by the Inspector General to acknowledge receipt of your despatch No. 5391:

Reporting on the dollar rates of exchange and remittance of your revenue collection:

and, in reply, to say that your proposal to test the adequacy of your dollar rate by making shipments of revenue collection in the

currency received to Shanghai is approved, and that there may be no mistake you should request the Hongkong & Shanghai Bank to inform you of the actual melting value of the dollars received. As the I.G. understands that your local dollar currency is mainly composed of chopped coin, you will probably find that your fixed rate is too low, seeing that the ascertained rate for clean standard dollars is considerably higher.

I am, etc.,

C. A. V. BOWRA,
Chief Secretary.

The Foochow Commissioner to the Inspector General.

No. 5400.

I.G.

FOOCHOW, 3rd November 1916.

SIR,

1.—In continuation of my despatch No. 5391:

Drawing attention to the inadequate outturn of the Foochow revenue collection and proposing that a few actual shipments of dollars to Shanghai should take place as a preliminary test of remittance conditions apart from the rate at which dollars are received in revenue collection:

and with reference to your reply thereto, No. 1761/62,735:

Approving of the above proposal; collecting rate will probably be found too low:

I have the honour to report that I am now making arrangements to ship to Shanghai, as a start, the first remittance of November. This will be a minor remittance and will allow of the result to be known here in time for its being embodied into the report for that month.

2.—Meanwhile I have gone into the question of our collecting rate as carefully as I could and have arrived at such definite conclusions as seem to warrant a report and further proposals independent from whatever the result of the remittance tests may be.

3.—Our present dollar rate—154.08—dates from November 1912 and was a slight modification of the rate 153.8461 (*Hk.Tls.* 65 = \$100) which had ruled before ever since 1867. The reason for this modification is set forth in Foochow despatches Nos. 4867, 4879, and 4882 of August–September 1912. The second one of these embodies the result of some tests made at Shanghai of the actual weights of standard specimens of Haikwan tael and Yangp'ing tael weights respectively, which had been procured from the Customs Bank here, and as these results are in certain ways important and have not been clearly brought out in the correspondence referred to above, I enclose a copy of the Shanghai Commissioner's despatch in this connexion both for record and for convenience of referring to, as I shall have occasion to do in the course of this report.

4.—The rate 154.08 being obviously too low, we have in the first place to find out the reason, *i.e.*, the flaw in the formula leading up to it. This formula can be expressed in two ways, either through the medium of the local Yangp'ing tael or of the Hsin-i tael. For convenience I shall confine myself to the former method. The Yangp'ing tael was one of the specimens sent to Shanghai for the afore-mentioned test in 1912, on which occasion its relation to the Haikwan tael was found and expressed in a ratio which I have in subsequent calculations and tests found to be very reliable. That ratio is: 1 Haikwan equals 1.00434 Yangp'ing (from Foochow despatch No. 4879; a direct calculation gives 1.00419). In passing, I might mention that the weights in grains given in the same report (*vide* Sub-Enclosure No. 1) are quite wrong, leading as they do to the palpably incorrect result of 596.31 grains to the Haikwan tael. This must be due to a serious mistake in a figure which the Shanghai Commissioner mentions as having received from the Hongkong & Shanghai Bank for the weight in grains of a Ts'aop'ing tael, *viz.*, 579.84. If we substitute for this a more correct value, say 565.64 (Customs publication, Series V, No. 84, page 50), we arrive at a weight of 581.70 grains for the Haikwan tael, which is very near the value most supported in the many pronouncements on the subject. The relation of the Yangp'ing to the Haikwan tael having thus been established, the dollar rate is deducted in the following manner. In the first place it is assumed that *Hk.Tls.* 110 in weight of broken (dollar) silver is equal to *Hk.Tls.* 100 pure silver. This rate was adopted in 1867 and has since served unaltered as the basis of all further calculations. We then have—

100 Haikwan taels being equal to 100.434 Yangp'ing,

110 „ „ are „ 110.477 „

(*vide* Foochow despatch No. 4879), but we know that 100 dollars weigh 71.7 Yangp'ing taels (a figure independently assumed by the Hongkong & Shanghai Bank here and closely agreeing with our 1912 test of Yangp'ing at Shanghai in relation with the known average weight of a moderately chopped dollar); hence we divide 110.477 by 0.717 to get at the number of dollars weighing 110 Haikwan taels and equal to *Hk.Tls.* 100 of pure silver. The result is 154.08.

5.—In the above derivation all factors have been properly verified except the assumed ratio 110, hence, if the outcome be wrong, the fault must lie here. So it does in fact, for we know the touch of practically all dollars concerned to be or lie very near 900. Therefore, to obtain pure silver we must add *one-ninth* and not *one-tenth*, which would make the above factor 111.111 and not 110. Applying this new ratio in the same formula, we obtain a dollar rate—155.62—which is in surprising agreement with the result of the Canton tests referred to in Circular No. 2550, Enclosure No. 3.

6.—By *three* other methods I arrive at approximately the *same result*, the first of these being the most direct and general method, applicable to all ports where the dollar is treated like sycee, and the other two introducing alternately one of the two local tael weights in daily use at this port.

1°. *By direct comparison of Weights.*

For a Haikwan tael we may assume the weight of 581.83 grains which was the result of the Canton tests of 1905 (Customs publication, V.—No. 84, page 49) and is also in close agreement with important tests carried out at Shanghai in 1880 (Customs publication, V.—No. 47, page 11). The weight of the dollar can be placed at 416 grains; but as it is 0.900 fine, it contains only 374.4 grains pure silver. Thus, to make up a weight of 100 Haikwan taels in pure silver we require $\frac{58183}{374.4}$ or 155.40 dollars.

2°. *By introducing the Yangp'ing Tael.*

By our Shanghai test of 1912 this tael was found to weigh $\frac{102.41}{102.84}$ Haikwan taels or, assuming the same standard as above, $\frac{102.41}{102.84} \times 581.83$ grains, or 579.39 grains. The weight of the Yangp'ing tael may also be found, apart from the Haikwan tael

standard assumed, by its weight in Ts'aop'ing found at the same tests, viz., 1.0241 Ts'aop'ing at, say, 565.64 (Customs publication, V.—No. 84, page 50), or 579.27 *grains*, which is a very good agreement with the above value, seeing that the standards assumed are taken from quite different sources. Now our local currency is determined by the Hongkong & Shanghai Bank here as being the weight of 71.7 Yangp'ing taels in dollars, to be called "100 dollars F. Cy." This weight is, according to what we found above, equal to $71.7 \times$ say, 579.3 grains, or 41,536 grains. But this weight in dollars contains only 90 per cent, or 37,382 grains, of pure silver, and as we require 58,183 grains (by one of the most "conservative" of our many standards) to represent 100 Haikwan taels, we can demand $\frac{58,183}{37,382} \times 100$ dollars as *weighed by the Hongkong & Shanghai Bank's Yangp'ing scales*, or \$155.64 to pay for 100 Haikwan taels duty.

3°. *By introducing the Hsin-i Tael.*

This is the tael universally employed on the Foochow money market—the Yangp'ing tael being more especially employed by the Hongkong & Shanghai Bank *for paying out*, as at the rate 71.7 it gives about $\frac{1}{8}$ per cent less weight than the Hsin-i tael calculated at 74.16 per 100 dollars, at which rate the Hongkong & Shanghai Bank *receives* and the Bank of Taiwan and Chinese banks both *pay and receive*. (It is thus left to a foreign bank to distinguish itself by boldly using two scales. One may cash a cheque for a certain amount, walk across to the receiving counter, pay in the identical coins, and receive credit for *less* than the amount originally drawn!) The Hsin-i tael is fixed at 103.3 to 100 Yangp'ing taels. Its weight must therefore be 560.79 *grains*. 100 dollars would then weigh by the generally accepted market rate for dollars in Hsin-i taels (see above) $74.16 \times 560.79 = 41,588$ grains, which contain 37,429 grains pure silver. By dividing this into the weight of 100 Haikwan taels, as above, we find that *by the actual weights and generally accepted fixed rates of the Hsin-i tael* it takes \$155.45 to pay *Hk.Tls.* 100 of duty.

7.—Resuming, we find that by more or less divergent routes we arrive at four quite closely agreeing Haikwan tael-dollar rates, viz.:—

By correcting the old ratio 110	155.62
By direct comparison of weights of dollar and Haikwan tael respectively	155.40
By introducing weight of, and dollar rate expressed in, Yangp'ing taels	155.64
By introducing weight of, and dollar rate expressed in, Hsin-i taels	155.45

Such an avalanche of evidence ought surely to be proof against any arguments which might be brought forward by merchants or Consuls against a revision of the present rate 154.08. To give the trade the benefit of a fair average value without allowing for the cost of melting, I would now propose that the rate be raised to 155.50, which happens to be also nearest to the derivation by the route of the Hsin-i tael, the principal money-weighing standard in use here.

8.—A few remarks on the legal standing of the old rate seem called for at this juncture. As mentioned above, the rate "110 of dollar sycee to represent 100 pure silver" dates back to 1867. I can find traces of attempts having been made in 1874 and again in 1877 to raise this rate, but apparently nothing came of it. Presumably such attempts, which were made at the instigation and purely for the benefit of the Haikwan banker, did not receive much support from the Commissioner or the Inspector General, besides meeting with direct opposition from trade and Consuls. The present situation, where the revenue flows through visible channels and every cash additional collection is known to redound directly to the benefit of China's foreign creditors, is of course quite different. The only claim which objectors could possibly put forward is "old custom." Expressed immutability has, however, never been conferred upon the rate 110; on the contrary, I can find at least two records of its having been adopted subject to eventual revision if necessary. The new rate adopted in 1912, though of very small extent, was virtually a revision of the old rate and was accepted without a murmur.

9.—Our right to revise would have to be based upon Article 33 of the British Treaty of Tientsin. A more direct basis could be found in Article 21 of the French Treaty of 1858, which contains the following provision: "*Ces paiements pourront s'opérer soit en lingots soit en monnaies étrangères, dont le rapport avec l'argent sycé sera déterminé . . . suivant le temps, le lieu et les circonstances,*" but unfortunately the words omitted in this quotation attach the necessity of "common accord" between the Consul and the Commissioner. I do not know if you wish the precedent set of consulting the Consuls before deciding upon any revision in our collecting rate which may have been proved necessary and thus risk an indefinite shelving of this and similar questions in the future by reference to the various legations. As a better course I would venture to submit that we act on the precedent set by ourselves in 1912 and issue a notification at once, claiming, if and when necessary, the provision in the French Treaty which suits us in addition to the

British clause and assuming that the requirement of a "common accord" will be met by the outcome of the discussion which is very likely to follow the issue of the notification. If necessary, the additional duty paid by those merchants whose Consuls lodge a formal protest might be kept on deposit pending the final settlement.

10.—The matter being of much importance with a view to its indirect bearing upon the Swatow rate, which involves a revenue so much larger than ours, I beg to enclose a draft of the notification I would propose to issue, for your approval. With regard to the proposed notification, it will be remarked that the ratio of the weight in grains between Hsin-i and Yangp'ing taels is in full accord with the fixed rate, namely, 103.3 (or 96.80 Yangp'ing = 100 Hsin-i taels); on the other hand, *Hsin-i Tls.* 115.32 = *Yangp'ing Tls.* 111.49 departs from the ratio of 100: 103.3, the difference of the $\frac{1}{8}$ per cent having been explained and accounted for in paragraph 6, 3°. I suggest 1st January 1917 as a suitable date for enforcing the new rate, so that there may be time, if you should see fit to so direct, to take simultaneous action at Swatow. That port is, however, not so favourably situated as Foochow in two respects: it does not seem to be quite certain yet whether any additional revenue collected there would go to the benefit of the bank or of the bondholders, while at Foochow there is no doubt regarding this point; and, secondly, at Swatow apparently clean dollars are demanded by count; at Foochow neither clean dollars nor dollars by count are recognised. Our market system is purely one of weighing sycee in dollar silver, hence a much stronger case for treating the rate on a vigorous sycee basis. But undoubtedly both points could be met at Swatow as well.

11.—You will notice two new features in the notification. One is the proposal to allow duties to be tendered in cheques "accepted" by any one of the recognised local banks, including the Bank of China. The risk is absolutely *nil*, as every cheque would be presented for cashing or clearance within 24 hours. As it is, we already trust to the Bank of China's "accept" for the whole day's revenue for 24 hours, or 48 hours in case of a holiday intervening. On the other hand, the convenience to the merchants would be considerable, so that this innovation alone might go a long way towards reconciling them to the raised rates. The other feature is the standardising of the various units employed, by expressing their weights in grains and grammes, which would show the trade that we are taking the matter seriously and that the present raise is not an arbitrary one to be followed by another later on.

12.—From the foregoing it will be clear to you why I have not awaited the outcome of the shipment of dollars to Shanghai, which is merely an alternative form of a subsidiary operation, but have dealt with the question here in its main issue and submitted for your consideration the cardinal points which involve treaty rights and revenue interests at their fountain head. By the time the matter reaches the stage of specific discussion, however, the results of our first shipments to Shanghai will be available for whatever corroboration in fact and argument we may be able to derive therefrom in addition to the substantial benefit to the revenue which I hope may be the result.

I have, etc.,

T. T. H. FERGUSON,

Commissioner.

SUB-ENCLOSURE No. 1.

The Shanghai Commissioner to the Foochow Commissioner.

No. 248.

Foochow.

SHANGHAI, 6th September 1912.

SIR,

I beg to acknowledge receipt of your despatch No. 224, requesting the assistance of this office in testing two official weights.

The weights in question have been weighed by the Hongkong & Shanghai Banking Corporation, the Bank of China, and the Kung-ku Office, all three giving different results. As the Kung-ku Office is the most, if not the only, reliable local authority, I give their equivalents of the two weights in Ts'aop'ing (漕平) taels, the tael in which our duties are collected and local transactions conducted, viz.:—

(a.) Yangp'ing weight = Ts'aop'ing Tls. 102.41 @ 98
 (Shanghai Convention) = Shanghai Tls. 104.50 @
 111.40 = Hk.Tls. 93.806.

(b.) Haikwan weight = *Ts'aop'ing Tls.* 102.84 @ 98
(Shanghai Convention) = *Shanghai Tls.* 104.94 @
111.40 = *Hk.Tls.* 94.201.

(a.) 1 *Ts'aop'ing tael* = grains 579.84 (Hongkong &
Shanghai Bank).

Ts'aop'ing Tls. 102.41 = 59,381 grains.

(b.) *Ts'aop'ing Tls.* 102.84 = 59,631 grains.

There being no standard weight either in this office or in the Superintendent's yamên, no comparison could be made.

I am, etc.,

H. F. MERRILL,
Commissioner.

SUB-ENCLOSURE No. 2.

DRAFT OF NOTIFICATION.

CUSTOM HOUSE,
FOOCHOW, 1916.

Under instructions from the Inspector General of Customs, the rates in force at this Custom House for the collection of duties have been subjected to careful verification and tests and found to be short by about 1 per cent. Notice is accordingly hereby given that from the 1st January next the rates which have been in force since 1st December 1912, and which were notified in Customs Notification No. 283, are to be amended as follows:—

Haikwan Tls. 100 = *Hsin-i Tls.* 115.32 = *Yangp'ing Tls.* 111.49 in weight of broken silver or chopped dollars;
and

Haikwan Tls. 100 = *Dollars* 155.50 in local currency
(\$100 = *Hsin-i Tls.* 74.16 or *Yangp'ing Tls.* 71.70).

Cheques in local currency may be tendered at the same rate given above if duly "accepted" by one of the recognised foreign banks or the Bank of China at Foochow.

In the determination of the above rates, the following unit values have been employed:—

1 Haikwan tael = 582 grains = 37.71 grammes,

1 Hsin-i tael = 560½ „ = 36.32 „

1 Yangp'ing tael = 579 „ = 37.52 „

Fineness of dollar silver = 0.900.

Average weight of a dollar = 416 grains = 26.96 grammes.

Commissioner of Customs.

The Inspector General to the Foochow Commissioner.

No. 1771. Commrs.
Foochow. 63,109.

PEKING, 18th November 1916.

SIR,

1.—I have to acknowledge the receipt of your despatch No. 5400:

Revenue collection rates at Foochow: proposal to increase the rate to \$155.50 and arguments in favour of, submitting:

and, in reply, to say that the calculations you have worked out in connexion with these rates are most interesting and prove conclusively that your present rate is too low.

2.—With reference to the proposed fixed rate of \$155.50 for dollars taken by count, it appears to me that it would be best in the interests of future uniformity to adopt the rate 155.63, although no doubt the rate you propose is a more convenient one for making duty calculations. The evidence you have at hand is sufficient to justify the higher rate irrespective of the researches made at Canton, which give it additional weight. Moreover, we have always the 1858 British Treaty to appeal to, which is solid enough ground for adopting an even higher rate. The Canton Assay, until the treaty is abrogated, holds the field, and according to this Assay the rate for new Mexican dollars is not less than 156.50, while the rate for broken money works out at 157.23. You state in paragraph 4 of your despatch under reply that “in the first place it is assumed that *Hk.Tls.* 110 in weight of broken (dollar) silver is equal to *Hk.Tls.* 100 pure silver,” and that “this rate was adopted in 1867.” I wish to know

what is your ground for this assumption, which involves a very serious departure from the figures of the Canton Assay, where the rate laid down is 113.207 taels in broken dollars = 100 Haikwan taels. As bearing on this point I enclose for your information copy of a letter from Sir Henry Pottinger, Her Britannic Majesty's Chief Superintendent of Trade, etc., in China, dated 3rd December 1843, to Mr. Gribble, Her Britannic Majesty's Officiating Consul at Amoy, from which you will see that your neighbouring port was instructed to adopt the Canton Assay rates. This instruction was given effect to in British Consular Regulations established at Amoy in 1844—Article 8 of which reads as follows:—

“The rates at which payments for duties are to be made either in sycee or coined money have been settled on the same footing as at Canton.” (Here follow the rates which are given in the enclosure.) “Should any dispute arise on the difference of the touch of sycee, it is to be tested by fire”!

In the Regulations of Trade for the Port of Foochow-foo published by Mr. Rutherford Alcock, Her Britannic Majesty's Consul, on the 26th April 1845 under directions from the Chief Superintendent of Trade, Article 4 states as follows:—

“Payment of duties may be made either in sycee or coined money at the rates already established at Canton.”

Seeing that the Canton Assay was reaffirmed by the later treaty of 1858, I find it hard to understand how a rate so much in conflict with its terms could have been adopted in 1867 at Foochow.

3.—In paragraph 5 of your despatch you state: “Therefore, to obtain pure silver we must add one-ninth and not one-tenth, which . . . would make the above factor (the assumed ratio 110) 111.111 and not 110.” To see that you are well within the mark in arriving at this conclusion you need only refer to the Canton Assay, which gives the factor 111.90 for new Mexican dollars. You go on to state: “Applying this new ratio in the same formula, we obtain a dollar rate—155.62—which is in surprising agreement with the result of the Canton tests.” This agreement is satisfactory, but it must be remembered that the Canton rate 155.63 is for clean Government dollars and not for chopped dollars. In view of the above I think you would be quite justified in adopting the rate 155.63 for dollars accepted by count, and you would have plenty of arguments in reserve with which to meet objectors.

4.—I approve of the notification you propose to issue with the necessary change of rate for clean dollars taken by count, but I think

it would be wiser to omit the statement of unit values, which might provoke undesirable controversy. You can always refer to them if necessary in correspondence or interviews. There is no objection to payment by certified cheque.

I am, etc.,

F. A. AGLEN,

Inspector General.

SUB-ENCLOSURE.

Copy of Letter from Sir Henry Pottinger to Mr. Gribble.

GOVERNMENT-HOUSE, VICTORIA, HONGKONG,

December, 3, 1843.

SIR,

I have the honour to acknowledge the receipt of your letter No. 3 of the 13th of last month, submitting the result of an investigation into the currency at Amoy, and stating that the outturn of the different coins which had been assayed there averaged one tael and seven mace (1*l.* 7*m.*) less than at Canton; but that being anxious to assimilate the Amoy standard with that already laid down at Canton, you had arranged with the local Mandarins for the adoption of the latter at Amoy, on condition that one tael five mace (1*l.* 5*m.*) should be allowed on every 100 taels of Sycee silver for refining expenses under the following heads, viz.:

	MACE.
Charcoal	6
Wages of two men	5
Saltpetre, etc.	3
House expenses	1
	<hr/>
	15
	<hr/>

By this arrangement,

	T.	M.	C.	C.
Rupees weighing	109	7	9	0
Peruvian dollars do.	111	4	5	5
Mexican do.	111	9	0	0
Bolivian do.	112	1	5	0
Chilian do.	112	5	2	0
Chopped do.	113	2	0	7

are to be considered respectively equal to 100 taels weight of Sycee silver, in all cases where the Imperial duties may be paid in any of the above-named coins.

The charge for refining at Canton is one tael two mace (1*t.* 2*m.*) on every 100 taels of Sycee, and the difference is so trifling that I readily sanction your arrangement.

A copy of this letter will be published for general information.

I have, etc.,

HENRY POTTINGER.

CIRCULAR No. 2588 (SECOND SERIES).

Examination work and valuation: modification in system of group-centres.

Samples: collection to be as complete as possible; instructions. Books

of reference: supply of, being arranged for. Conference and

training of Examiners: views expressed by ports in reply to

Circular No. 2487; I.G.'s comments on suggestions made.

INSPECTORATE GENERAL OF CUSTOMS,

PEKING, 21st November 1916.

SIR,

1.—I am glad to see from the replies to Circular No. 2487,* which contain a great deal of useful information and many valuable suggestions, that the great majority of the Commissioners grasp the importance of this subject and see the necessity of placing our system of training of Examiners and examination of goods upon a

* *Antea*, vol. iii, p. 294.

stronger basis. The study of the commodities which pass into and out of China offers a field of the greatest interest in itself; but apart from that, the question of the verification, classification, and valuation of goods, as the basis of our whole system and in view of its vital importance to China's revenues, claims our closest attention.

2.—The system of group-centres as laid down in Circulars Nos. 2357 and 2487 seems on the whole to work out satisfactorily. As regards Harbin, however, its distance from the coast and the special character of its import trade make its affiliation with the Manchurian ports unsuitable. Harbin with its stations—Aigun, Sansing, Lahasusu, Manchouli, and Suifenho—will therefore form a group of its own. The outlying places which have not hitherto been included in the scheme may be grouped as follows for the purpose of the exchange of correspondence and, if feasible, of values:—

- { Hunchun.
- { Lungchingsun.
- { Mengtsz and stations—Pishihchai, Yunnanfu, Hokow.
- { Szemao.
- { Tengyueh.

Note.—Mengtsz should exchange value lists with Canton.

Lungkow, as the sub-port of Chefoo, belongs naturally to the Tientsin group.

Lungchow, if any question should arise, should consider itself as adhering to the Canton group.

3.—In the matter of Samples, some ports have full and representative collections, while several, it is to be feared, have neglected the matter altogether. In some cases previous collections have been allowed to run down; in one or two instances there has been no attempt to form a collection at all—a state of things which in the face of long-standing instructions (Circulars Nos. 2, 33, 572, and 978, Second Series) is surprising. It is, however, significant of the little interest in the examination of goods which has been shown in the past.

The collections of samples at all the ports and sub-ports are to be made as complete as possible. The senior member of the Examiners staff is to have charge of the collection and will be held responsible for its being complete and up to date as well as for its

safekeeping. It would be well for Commissioners to assure themselves from time to time by a personal inspection that the sample collection is in good order and is being added to. As far as local exports are concerned, it should be simple enough for each port to get a complete collection of musters; as regards foreign imports, especially with respect to such a large item of importation as cotton piece goods, it is probably possible only for the large ports—Shanghai, Canton, Tientsin, Hankow—to have comprehensive sets of samples. The four ports, if they do not possess them already, should lose no time in procuring them, with the aid of the Piece Goods Expert so far as his particular commodity is concerned.

Ports where goods of a special nature enter China (*e.g.*, Harbin, with its importations of Russian piece goods) should take special pains to obtain samples of their peculiar commodities. Harbin in particular should cause to be compiled lists of Russian piece goods with description and sample of each sort, and name in Russian, Chinese, and English, for the use of its sub-stations and the information of such other ports as require it. Dairen and Tsingtau are ports where presumably similar conditions apply with regard to Japanese goods. In this connexion it is to be noted that it is open to the Examiners at any port to correspond with the Piece Goods Expert—wherever he may happen to be, at present Canton—about any point upon which his special knowledge would be useful. The correspondence should be carefully recorded and passed through the Commissioner's hands in the way indicated for correspondence between Examiners in Circular No. 2487, § 2. Form [C.—33] might be usefully availed of for this and other Examiners' correspondence.

As some ports seem to find a difficulty in procuring the necessary sample bottles, labels, etc., the Chief Appraiser at Shanghai is to stock sample bottles in two or three sizes, and also labels, and to supply them to such ports as requisition for them. The cost of purchase is to be charged to the Shanghai Commissioner's Suspense Account and refunded by the ports concerned.

4.—As regards Books of Reference for the use of Examiners, the ports, with hardly an exception, seem to have none beyond the Service publications, though the opinion is general that such works should be provided. The Non-Resident Secretary is being instructed to procure the non-Customs books. What the complete list will finally consist of will depend upon what are the best books for our purpose now in the market, a question which will have to be inquired into. Commissioners have made various suggestions as

to books other than those given in Circular No. 2487. It will not be possible or necessary to supply all the ports with a full set of the books. A full set will be given to the large ports, while the medium and smaller ports will be supplied with what is considered suitable. The large ports should also have a microscope and magnifying glass for examination work. If they—Shanghai, Canton, Tientsin, and Hankow—are not already provided with these articles, they should consult with the Coast Inspector as to what type of instrument will be most suitable and arrange with him for their supply.

The books forming the Examiners' reference library are, for purposes of record, to form part of the Commissioner's official library; they are to be entered in the Commissioner's catalogue and formally handed over on transfer of charge (Circular No. 2081, Enclosure No. 2). They are not, however, to be kept in the Commissioner's office but in a locked book-case in the office of the Appraiser or senior Examiner, who will lend them out to the staff as required. A receipt should be taken for each book lent, and the examining officer in charge of the books (which should be clearly marked as being Service property, *vide* Circular No. 2547, B, No. 409) will be responsible to the Commissioner for their safe-keeping.

Ports requiring more copies than they already possess of the Customs publications mentioned in Enclosure No. 3 of Circular No. 2487 should apply to the Statistical Secretary, who will make such arrangements as are in his power to meet their wishes.

5.—The suggestions made by the Commissioners naturally cover a good deal of ground, but there are some which are common to several ports. Among these are the desirableness of testing the knowledge of younger Examiners by examination—which is conceded by every Commissioner who discusses the point; the issue of a diploma to successful candidates, which will carry with it an "Efficiency Allowance" or some such tangible advantage; and the compilation of an Examiners' Guide and Reference Book.

While seeing the advisableness of examining the junior Examiners, several Commissioners express the opinion that the senior members of the examining staff should not be subjected to examination. Many of these men have a sufficient knowledge of their work, but would be quite unable to put down their knowledge in a written paper. The time has not yet come when the point can be finally decided, but I wish to assure any old Examiners who may be apprehensive that they are to stand or fall by the result of

a written examination, that I do not think that even if I wished to do so it would be possible in the present circumstances of the Service to carry out a general examination of all the examining ranks. It is quite obvious that it would be futile to attempt to examine senior and elderly men. Whatever shape the scheme may finally take it would seem, so far as I can see at present, that it should be on the lines of offering exceptional advantages to ambitious men of somewhat superior education who would be glad to have an official certificate of their technical attainments and the benefits attending it; and the most we can hope for is that among these ambitious and industrious ones will be found some of our senior and many of our junior Examiners.

The question of an Examiners' Manual is undoubtedly a pressing one. The want of a text-book which will serve as a standard of knowledge to which all should strive to attain is very keenly felt. I am making arrangements to have such a work compiled by a competent hand and hope that at no very distant time I shall be able to put it in the hands of the Service. Meanwhile a handbook on his subject by the Piece Goods Expert, Mr. Speakman, is in the press; another and more comprehensive work on the same subject by Mr. A. E. Blanco, 2nd Assistant, A, it is hoped will be available before long for Service use; and Mr. W. H. Williams, ex-Chief Appraiser, is now nearing the close of the long and arduous task he has undertaken in his retirement of the preparation of a new edition of his "Canton Examiner's Reference Book." These works, so soon as they reach their hands, should provide ample material for the initial studies of young Examiners.

6.—It was mentioned in Circular No. 2487 that most of the Commissioners were not convinced of the educative value of conferences of Examiners. The meetings held in the Manchurian ports have, however, shown exceedingly good results, and there seems a tendency in one or two quarters to reconsider this adverse decision. In this connexion the following quotation from a despatch from the Antung to the Newchwang Commissioner will be of interest:—

- . . . Generally speaking, there can be no doubt but that periodical meetings of Examiners from ports labouring under nearly uniform conditions have a very practical value in bringing Examiners up to the mark in their profession, necessitating, as they do, a systematic preparation of samples and notes on the same which they know will be subjected to the criticism of the others present at the meetings; the comparing of samples and discussions which take place at the meetings also cannot but be instructive to those present. This practical value to our Examiners also would, in my opinion, justify the meetings being continued and extended to other ports of China as well.

The fact that at these meetings the Examiners are working under the Commissioner's eyes and the doings of the meeting duly recorded and commented upon in a despatch to the Inspector General is an important stimulating factor that should not be lost sight of, if your suggestion that an employé well versed in values and examination work be appointed to visit ports is acted upon. If so, we might suggest that upon arrival of this employé to a port a regular meeting is to be held where article for article will be discussed, and the minutes recorded as at our meetings. Samples will, of course, have been prepared beforehand expressly for the meeting. Juniors—from Out-door and In-door—might be told off by their Commissioners to attend, and in time the meetings as now inaugurated by us, and/or visits of the expert Examiners, might develop into regular courses of instruction in assessment of values and examination work. So very often now a junior Examiner starts with very little experience of examination work and has to grope about in darkness gathering experience slowly and, it is feared, at the expense often of the revenue. . . .

Upon the same subject the Nanning Assistant-in-Charge remarks:—

. . . At the same time I think it is a pity that the adoption of the Dairen and Newchwang experiments at other suitable centres should have for the present to be regarded as impracticable, as a steady move all along the line in that direction would seem to be by a long way the surest mode of advance. It would enable joint recommendations to be made in the proper quarters with a view to general and effective action and give to the men at the head of examination work in various ports the opportunity for a certain amount of advice to be sought on matters that any one particular man could not expect to be an expert upon, and thus afford the offices concerned a definite guide as to the manner in which their efforts towards uniformity should be directed. The objection that the Service might not be justified in risking its funds in such a scheme, where of course the amount of zeal and keenness displayed by the Examiners concerned would alone be the security for the capital, does not strike me as very serious, as the conference would surely bring together men of good record of whom the majority could be depended upon to note beforehand the principal points on which they felt themselves to be in need of advice and grasp such opportunities as might be open to them to widen experience and make up deficiencies in their previous careers. Viewing the matter altogether, I do not think that the cost would be greater than the advantages that would be likely to accrue. So far as the ports grouped round Canton are concerned, Canton should be charged with the general superintendence of all matters relating to values and empowered to make decisions. It should regulate the value list and issue at regular intervals a notice of changes of values. I think that in most cases it would not be possible to contest a decision thus given in view of the serviceable training of the Canton examination staff.

In view of these opinions Commissioners might well think over anew and discuss with their Examiners—who should be encouraged to put forward their opinions on these matters in their own words—the question of conferences. I am reluctant to order a general move in this direction until I am assured that most of the Commissioners are convinced of its value, for it is upon the

co-operation and interest of the Commissioners that the success of such meetings must ultimately depend; but I am quite prepared to allow a conference at any particular centre that may be desired.

7.—Upon the training of Examiners the Canton Deputy Commissioner offers the following observations:—

The value of reliable, active, and conscientious Examiners to an office like Canton is considerable: the line of articles coming under the "*ad valorem*" proviso is increasing every day; further, it is more and more difficult to obtain from merchants a *bona fide* declaration of quality and value of their cargo—the brokers get to know the value at which we have passed a similar lot of goods and they make out their Applications accordingly, while forged invoices "for Customs purposes" are of frequent occurrence: therefore the reliance to be placed on the Examiner is complete and the collection of revenue is greatly dependent on his findings. Selection of proper men and their training is consequently of utmost importance, and this question has already attracted my attention here. . . .

Canton is, of course, an excellent port in which to obtain a thorough experience and general knowledge of articles of trade; but even in smaller ports a man who has got the will may see and study most of the goods. In fact, earnestness for practical learning may lead to the disappearance of various wrong principles, the aim of which is to reduce the work of Examiners, such as "that cargo under E.C. or goods for which invoice is presented, etc., need not be examined." Substitution of cargo and other abuses of E.C. privilege, false invoices, etc., so current nowadays, warrant that, whenever possible, a fraction at least of a consignment should be examined.

The remarks of a Tidesurveyor at a southern port who has himself gone through the Examiners' ranks have a special value in this connexion. I recommend them to your earnest consideration:—

. . . Our staff should be trained towards becoming efficient Examiners right from the time of joining the Service, by having sample cases of, say, 200 samples of the most valuable imports and exports provided for the waiting rooms of the bigger ports. In this way even the less zealous officers having those samples continually in front of their eyes while attending in the waiting room are bound to become acquainted with the more important goods, and apart from thus laying a foundation for examination work, this knowledge is also necessary for steamer duty and search work, as it will enable the officers to distinguish goods worth seizing from those of no value.

Further, it should be impressed on the Examiners that it is their duty to impart their knowledge to Tidewaiters coming to them for information and that they are not conferring a favour when doing so, and that their value books and instructive notes on goods, compiled during duty hours and usually zealously kept from others, cannot be considered private property. . . .

To an officer placed on examination duty it should be most strictly pointed out, and the rule invariably enforced, that to examine a lot of cargo properly it is necessary first of all to see that lot in the cargo-boat or godown and to pick out from it personally and mark in some way the amount to be brought to the Examination Shed to be weighed and opened for inspection, instead of leaving it to the broker to pick out the packages for examination.

This so obviously important and necessary rule is grossly neglected all over China. This inexcusable neglect is responsible for a very great part of the revenue lost and for contraband being brought into China in large quantities. For the latter, I take this opportunity to say, the practice still followed in some ports of passing goods on invoice by the General Office without being examined is also responsible to a considerable extent.

As regards the knowledge of examination work, I would suggest that it should be required of Assistant Examiners to acquire a good knowledge of goods in general, their qualities and approximate values. This task, considering the great number and variety of goods passing through our hands, is not an easy one and requires several years of zealous and intelligent application on the part of those officers.

On having been appointed to the rank of a full Examiner, the officer should, with the aid of the elementary books provided by the Service, as well as a few chemicals and a microscope for elementary tests of goods, prepare himself for the rank of Chief Examiner. Of an Appraiser a thorough knowledge of goods and a more extensive knowledge and practical application of physical, chemical, and microscopical tests would be expected than of a Chief Examiner.

Uniformity in the treatment, classification, and valuation of goods of different groups is of the utmost importance. The Chinese broker makes much more by taking advantage of the non-uniform system of the different ports than by the legal fees paid to him by the merchants. He knows to a nicety at how much each article is passed in the different ports and how it is classified in each, and he naturally passes his goods through the port proving most advantageous to him. For example, 5 piculs of "brass shoe nails" were imported here a short while ago and re-exported again the same day, because they had been classified by the Examiner as an *ad valorem* article (present value *Hk.Tls.* 80 per picul) instead of the tariff article "brass nails" paying at the rate of *Hk.Tls.* 1.150 per picul. I have no doubt that those nails were subsequently reimported again into China through some other port where they were passed as the tariff article and then found their way here either by native boat or overland.

In conclusion, I beg to mention the great difficulty the Examiner has in obtaining true market values. In this very important matter he is still entirely dependent on his but very moderately salaried Weigher. The problem of making him independent of this more or less honest native officer is as important as it is difficult.

8.—Among the Commissioners' suggestions are found several which it is quite possible for them to put into force without waiting for instructions from myself. Among these may be mentioned the frequent shifting of promising Examiners from wharf to wharf that all-round experience may be gained; the avoidance of putting a skilled Examiner to such mechanical work as the tallying of coal and such-like cargoes; the giving of lectures on samples in Customs Clubs or elsewhere by senior Examiners to junior members of the staff; the gradual elimination of Weighers (as has been done at Shanghai) and their work done by the Examiners themselves; Tidewaiters to do Examiners' duties wherever possible and so learn the work; the study of local products by the examination staff—a

matter which a Commissioner's interest and encouragement would greatly promote; the giving of Chinese names of commodities on value lists; the collecting of catalogues and price lists of (*e.g.*, Japanese) goods; and the daily visitation of all sheds, wharves, hulks, and godowns wherever it is possible to do so by the Appraiser or senior Examiner.

9.—There remain the suggestions which involve a change of organisation. Among these may be instanced the proposal that the higher ranks of the examination staff should be placed on an equality with the executive staff as regards pay. This is a reform I have long had in mind and should be glad to be able to carry out. Any change of the sort, however, can only come with the general levelling up of the examination staff and in connexion with some regular scheme for attesting the qualifications at least of the younger men. Before the Service can afford to give higher pay to a man as an Examiner he must in some way or other be required to show that he is an Examiner in fact and not, as I have reluctantly to confess is the case sometimes, merely in name. These questions will come up for settlement in due course. What I wish to do now is to keep the considerations dealt with in this and the previous Circulars on the subject alive; to push on step by step, introducing reforms and strengthening the *moral* of our examining system.

10.—A copy of this Circular is to be put in your Out-door Staff Order Book.

I am, etc.,

F. A. AGLEN,
Inspector General.

CIRCULAR No. 2590 (SECOND SERIES).

**Native Customs: retiring allowances and bonuses for staff:
issue of, inaugurated; instructions.**

INSPECTORATE GENERAL OF CUSTOMS,
PEKING, 22nd November 1916.

SIR,

The reports received in reply to Circular No. 2533,* N.C. No. 79, on Native Customs staff requirements and present strength of *personnel* show that in most cases the permanent Chinese staff has been reduced to its proper limits. At certain ports, however, where the staff seems to be disproportionately large for the amount of revenue collected, tariff reform has not yet been completed, and it has been explained that the introduction of a simpler form of tariff will enable a further reduction to be made. There are also a number of elderly employés on the lists of some establishments whose working powers are limited owing to advancing age. These men, it is suggested, might be invalided and not replaced.

The recommendations and suggestions of the various Commissioners have been carefully considered, and I have in consequence decided, as Native Customs Service funds will permit of the increased expenditure, to place the regular Native Customs staff, as regards issue of retiring allowances and annual bonuses (New Year gratuities), on the same footing as the Maritime Customs staff from the year 1912, when the work of tariff revision and the tightening up of administrative control was first seriously taken in hand, resulting in a considerable growth of the revenue and a corresponding increase in the Native Customs allowance.

I have therefore to issue the following instructions for the guidance of the Commissioners in charge of Native Customs establishments:—

1. The permanent Native Customs In-door Staff, consisting of Clerks, Lushih, Writers, etc.—but excluding *weiyüan*, who are not permanent members of the staff and come and go with each change of Superintendent,—and the upper ranks of the Native Customs Out-door Staff, such as Examiners, Tidewaiters, etc., will receive retiring allowances equal to one year's pay calculated at the rate drawn on completion of

* *Antea*, vol. iii, p. 305.

12 years satisfactory service. The first duodecennial period will be from 1st January 1912 to 31st December 1923 in the case of those employés serving at ports where actual control has been in force since the beginning of that period. At other ports, where Commissioners assumed effective control later than 1912, the date from which they obtained control is to be considered as the beginning of the first duodecennial period. This rule is not retrospective and does not apply to employés who have in the meantime left the Service.

2. An exception to the general Service rule which does not provide for issue of retiring allowances for uncompleted portions of the first retiring allowance period, except in the case of death, will be made in favour of those members of the Native Customs permanent staff who are entitled to retiring allowances on the duodecennial basis, and who have either been on the staff since 1912 or have joined the Service between that year and the end of 1916. These men will, in the event of their withdrawal from the Service by resignation or death before the completion of their first full duodecennial period, receive a fractional retiring allowance calculated according to their time of service as defined in rule 1 of this Circular. Men joining on or after the 1st January 1917 will not be entitled to this privilege, but will be on the same footing regarding retiring allowance as the Maritime Customs employés.
3. To all Native Customs employés corresponding to those in the Maritime Customs Revenue Department, enumerated under headings A, B, C, D, and E in the Miscellaneous list, viz., weighers, watchers, boatmen, guards, t'ingch'ai, messengers, etc., office and chair coolies, gatekeepers, night watchmen, carpenters, water coolies, etc., who have served satisfactorily for three years, a gratuity of one month's pay is to be issued at the Chinese New Year, beginning with 1917. These gratuities are to be charged to Account N: Ordinary: 7. Special.
4. On the 20th of each December beginning with the year 1917 you will add to your Return of Retiring Allowances to Chinese Writers, Lushih, etc., in the

Maritime Customs the names of those Native Customs employés enumerated in rule 1 of this Circular, under headings I, II, III in form [B.—23], as called for in Circular No. 1380.

A further Circular will issue instructions regarding treatment and classification of Native Customs staff for "Service List" purposes.

I am, etc.,

F. A. AGLEN,
Inspector General.

CIRCULAR No. 2607 (SECOND SERIES).

**Quarterly and other Returns of Trade issued at short intervals:
Commissioners' views solicited; instructions.**

INSPECTORATE GENERAL OF CUSTOMS,
PEKING, 28th December 1916.

SIR,

1.—The "Quarterly Returns of Trade" (I.—Statistical Series, No. 2), formerly known as the "Customs Gazette," was substituted in 1868 for the "Monthly Reports of Trade," which had been first published in 1866. In addition to statistics the publication originally contained comments on the quarter's trade, prices, supply and demand, etc., with a chronicle of the chief events in the various districts; and a Précis of Fines and Confiscations and record of Movements in the Service were subsequently added. It was very soon recognised that the quarterly publication could never appear with sufficient promptness to take the place of mercantile circulars, but it was thought that the comparative statistics and other information it contained would render it both valuable and interesting (see Circular No. 21 of 1869). The continued expansion of the Service, however, perpetually added to the bulk of the quarterly volume, and for this and various other reasons the general information it afforded, apart from the bare statistics of trade, was gradually eliminated. Thus in 1872 the paragraphs dealing with

“General Remarks” and “Occurrences” were omitted; after 1885 the *Précis of Fines and Confiscations* was published separately; and in 1914 the *Movements in the Service* became a *Customs Gazette* proper purely for Service information and use. As it exists to-day, the *Quarterly Returns* volume consists of four parts—Trade Statistics, Return of Dues and Duties, List of Vessels measured for Tonnage, and Notifications,—and it has become a question whether its value to the mercantile community is such as to justify the heavy cost of publication in the present form. The volume is not issued till the returns from all ports have come to hand, and it is probable that the consequent delay makes the statistics of little practical use to the public, who at several of the larger ports find their needs better met by the information given in the circulars which are now issued by the Customs at those ports every day or as many times a month as circumstances require. The system, too, by which the quarter’s returns for any one port cannot be obtained without at the same time purchasing the complete volume containing those of every other port is calculated to restrict their circulation.

2.—On the other hand, the existence of this publication enables us to comply fairly satisfactorily with the demands which are constantly being made for statistics of the trade in various commodities during shorter periods than those which are covered by the *Annual Returns*; while the necessity for preparing the sheets for the printer is a guarantee that the returns work at each port will be kept up to date. The office drafts, too, are a convenient means of drawing the attention of officers in charge to any unusual features in trade, shipping, and revenue collection, and at the end of the year enable the *Annual Report* to be taken in hand earlier than would be possible without them. Abolition has been advised, but I am loath to do away with a record of such long standing without full consideration. An alternative suggestion is that the production of the bound volume should be abandoned and that each port’s manuscript should be printed off at the Statistical Department as soon as it is received and be put on sale at that port and elsewhere in pamphlet form with as little delay as possible.

3.—I desire to learn the views of yourself and the mercantile community at your port in this matter. Is the information afforded in any case of so little use to traders that abolition is indicated, or is it of sufficient value to justify publication in a form which would render it more quickly and more easily available? It would be well for you to submit the question to local chambers of commerce and leading merchants, both foreign and Chinese, and to take note of any suggestions they might have to offer.

4.—I also wish for information on the subject of returns issued daily or at short intervals. The only publication of this nature printed at the Statistical Department is the Shanghai Daily Returns, which dates from 1866, but the growth of trade at several of the larger ports has for some years past led to similar publications being issued by the Customs locally, and the time has probably come when this practice might with advantage be further extended. The Commissioners at the ports where such returns are already published are to report the procedure they follow in this connexion—what information is given in them? is the form in which they are now issued satisfactory? what is the cost of production and how is it met?—and copies of current issues are to be forwarded in duplicate. At ports where such returns have not been issued hitherto, Commissioners are to report whether they consider conditions such that publication is now desirable; and, if so, what form they consider the returns should take and what printing facilities exist locally. In this matter also the foreign and Chinese merchants are to be consulted, and due weight is to be given to their suggestions.

5.—A reply to this Circular is required without undue delay from every port and sub-port.

I am, etc.,

F. A. AGLLEN,

Inspector General.

CIRCULAR No. 2609 (SECOND SERIES).

Indian opium: none can be imported into China for which Indian Government did not issue a certificate before end of 1913.

INSPECTORATE GENERAL OF CUSTOMS,
PEKING, 29th December 1916.

SIR,

With reference to Circular No. 1790:*

Indian opium: Agreement of 1911 between China and Great Britain:

as well as to other Circulars on the same subject, I have now to circulate, for your information and purposes of record, copy of Shui-wu Ch'u despatch No. 2106, placing officially on record that no Indian opium may be imported into China for which the Indian Government did not issue a certificate before the end of 1916.

As no certificates have been issued by the Indian Government for over three years (cf. Circular No. 2154), no opium can be brought to China under cover of a certificate of later date than 1913.

I am, etc.,

F. A. AGLEN,
Inspector General.

* *Antea*, vol. iii, p. 4.

ENCLOSURE.

稅務處令

查中英禁烟條件第八條載自一千九百十一年起凡出口之烟印度政府於每箱烟土報明運赴中國或在中國銷售者皆發給出口准單按箱編列號數一千九百十一年內所發該項准單不得過三萬六百張後六年內計至一千九百十七年止每年遞減五千一百張等語照此計算則一千九百十六年內准運來華之烟祇有五千一百箱在一千九百十七年當然無烟土來華該條件內所稱一千九百十七年止一語即係以一千九百十七年一月一日爲停止洋藥進口之期方屬正當解釋現在爲期已近應由總稅務司轉飭各關稅務司嚴密稽查所有印度烟土在一千九百十六年十二月三十一日以後起運來華者一概不准進口庶與前項條文相符近來各關時有緝獲大宗私土之案辦理甚屬認真嗣後仍應隨時加意嚴緝務使數十年鴉片流毒從此永絕是爲至要除通行各關監督外相應令行總稅務司通飭各關稅務司遵照可也此令

中華民國五年十二月十六日

CIRCULAR No. 2620 (SECOND SERIES).

Steam navigation inland: Survey Certificates to be endorsed with nature of run before issue of I.W.S.N. Certificate; Passenger Certificates to be similarly endorsed; number of passengers to be reduced as necessary; remarks and instructions *re* vessels pronounced unsuitable for run.

INSPECTORATE GENERAL OF CUSTOMS,

PEKING, 30th January 1917.

SIR,

1.—The growth of steam-launch traffic in China is tending more and more under stress of competition to place vessels on routes and waterways for which they are entirely unfitted by design, construction, and engine power. And while sacredness of human life and the interests of Chinese passengers are arguments always sure of sympathetic consideration from Chinese authorities when their attention is directed to any serious case, the absence of national legislation and of a recognised authority to enforce it undoubtedly causes large numbers of innocent and ignorant passengers to run unnecessary and altogether unjustifiable risks. Something has been attempted in connexion with purely Customs legislation and local passenger regulations to minimise the danger, but so long as passengers are inarticulate, and greedy launch companies are only anxious for dividends and care nothing at all for the lives of the passengers they compete for and risk, cases will occur at the ports when arbitrary action of some kind or other is forced upon the authority most intimately associated with the movements of the vessels. Commissioners who feel their responsibility are quite naturally disinclined to sit still when their Harbour Masters inform them that such and such vessel is quite unfitted to navigate a specified waterway, and when the vessel in addition carries a large number of passengers they feel compelled to intervene. Having, however, no law to which they can refer, and confronted with the difficulties created by the presence on China's inland waterways of foreign-flag vessels, they are hardly to be blamed if they hesitate in certain circumstances to act or feel unduly hampered by the insecurity of their ground. And here I wish to say that any Commissioner who, with due knowledge and after mature consideration and consultation with the Superintendent, refuses to clear a vessel with passengers for a run on which she will manifestly incur grave risks owing to her construction or want of power, is certain of my most energetic support. Some recent cases in which Commissioners took such action, with, of course, the concurrence of the Superintendent, met with my entire approval. For example, both the Ichang and

Chungking Commissioners refused to clear or to permit to run launches on the Upper Yangtze between Ichang and Chungking and on inland water-ways above Chungking which were pronounced by experts to be unfitted for such service, and the Wuhu Commissioner, by his action in refusing to endorse the Passenger Certificates of two British-flag launches and by threatening to withdraw their Inland Waters Certificate, raised very successfully the question of the unsuitability of these launches for the route they were intended to serve and incidentally procured from the British authorities co-operation in measures to prevent such risks in future. Where Chinese trading vessels plying under Customs regulations are concerned, it is safe to assume that no Superintendent, when faced with the responsibility, will refuse his assent to any action which has for its object the saving of Chinese passengers from risk of drowning. Vessels commandeered for military service are temporarily removed from Customs jurisdiction, and it is the military authorities who are responsible for what befalls. In regard to foreign-flag launches, some discretion must, of course, be observed before such drastic action as withholding of clearance or withdrawal of Inland Waters Certificate is resorted to. Such vessels in virtue of their extraterritorial status are amenable to foreign laws and shipping acts, and it is the foreign authority who is primarily responsible for their misuse. Still, the fact that they are in most cases entirely manned by Chinese subjects and only carry Chinese passengers does give Commissioners of Customs who have to clear them the right of drawing very vigorous attention to the dangers in which they may involve this population, and I am sure that any action that is really called for may be expected to meet with the same consideration that the Wuhu case evoked.

2.—That case brought rather prominently into notice an omission in regard to the Survey Certificates which are required before Inland Waters Steam Navigation Certificates are issued. Existing practice makes no provision for the endorsement of such Survey Certificates with the nature of the run for which a vessel is certified. I have therefore to instruct you in future before issuing or renewing Inland Waters Certificates to require that Survey Certificates, whether issued by a national authority (D.I.G. Circular No. 59 of 1904) or by a Customs surveyor, be endorsed with one of the following endorsements:—

- 1°. Certified for open sea navigation.
- 2°. Certified for estuary navigation.
- 3°. Certified for river and lake navigation.
- 4°. Certified for creek and canal navigation.

Endorsements made by a national surveyor are to be carefully considered, and if you have reason to question their propriety, you are to bring the Coast Inspector into consultation before taking any action in respect to the vessel. It is not intended that the endorsement should in all circumstances inhibit a vessel running on a more exposed water than that for which she is certified. What is intended is that passengers should not be carried in such a case and that, apart from passengers, vessels should not run regularly on more exposed waters than they are certified for.

3.—The Wuhu case also brought to light another matter. Customs Passenger Certificates are issued in accordance with the rules given in Circular No. 1201* and in the 1905 edition of the "Instructions for Measuring Vessels for Tonnage." These rules were based on what was a normal design of steam-launch, and no warning was issued as to the exercise of discretion in other cases. While I know that in many cases discretion is observed, I think it well to lay down the following rule for general guidance:—

If there is reason to doubt the sufficient stability and seaworthiness of a vessel for the number of passengers allowed by the Customs rule, the number certified should be reduced as necessary, taking the nature of the run for which the vessel is certified into consideration. Cases of doubt should be referred to the Coast Inspector. Passenger Certificates should be endorsed with the run for which the vessel is certified in the same manner as the Survey Certificate.

4.—Finally, I have to instruct you to read D.I.G. Circular No. 59 of 1904, laying down the ruling in regard to national surveyors,† which refers only to "certificates of inspection to secure safety of boilers and machinery," as applying equally to the hulls of vessels surveyed.

I am, etc.,

F. A. AGLEN,
Inspector General.

* *Antea*, vol. ii, p. 427.

† The following is the ruling referred to: "The question of what certificates of inspection to secure safety of boilers and machinery could be accepted as sufficient in the case of foreign-flag steamers engaged in inland waters trade having arisen at certain ports, instructions were issued and approved by the Inspector General to the effect that the following are to be accepted:—

- 1°. A certificate by a Customs surveyor;
- 2°. A certificate by a qualified Lloyd's surveyor;
- 3°. A certificate issued by a legally constituted authority of the vessel's nationality in accordance with her national laws. The local Consul may be called upon to confirm the authenticity and validity of the certificate if necessary."

CIRCULAR No. 2625 (SECOND SERIES).

Revenue collection: dollar rates of exchange and remittance: further report from Foochow Commissioner published; instructions.

INSPECTORATE GENERAL OF CUSTOMS,
PEKING, 5th February 1917.

SIR,

In continuation of Circulars Nos. 2550* and 2587:†

Concerning dollar rates of exchange and remittance:

I enclose for your information copy of the Foochow Commissioner's final report on the steps taken to place matters on a more satisfactory footing at his port. It is desirable that all ports where revenue is collected in dollars and remitted by draft at fluctuating rates should endeavour to establish the "critical" rate, below which it will be of advantage to have recourse to shipment, and that the remitting banks should know that in certain circumstances this alternative will be employed.

I am, etc.,

F. A. AGLEN,
Inspector General.

ENCLOSURE.

The Foochow Commissioner to the Inspector General.

No. 5416.

I.G.

FOOCHOW, 11th January 1917.

SIR,

1.—In continuation of my despatches Nos. 5391 and 5400, and with reference to your despatches Nos. 1761/62,735 and 1771/63,109:

On the subject of revenue collecting rates and remittance methods at this port:

I have now the honour to submit a further and, I hope, final report on action taken and results reached in both phases of the subject referred to.

* *Antea*, vol. iii, p. 320.

† *Antea*, vol. iii, p. 356.

2.—In the matter of the *Dollar Rate in the Collection* I have, in conformity with the instructions of your despatch No. 1771, issued the notification proposed in my despatch No. 5400, shorn of the final data concerning unit values. The notification was issued on 30th November, and during the four weeks ensuing no protest was raised, either from foreign or Chinese side, against the proposed increase in the collecting rate. Then, on 29th December, I received a letter from the Superintendent transmitting on behalf of certain merchants and cash shops a request from the Chinese Chamber of Commerce to “continue collecting at the old rate.” To this I replied, explaining in short what had led to a reconsideration of the old rates and giving the gist of the four methods by which I had arrived at the rate now proposed. I further pointed out that in all the time which had passed since the issue of the notification neither foreign Chamber of Commerce nor any of the Consuls had signified the least objection to it (a most eloquent testimony to the unassailability of our position, as I reminded the Superintendent), and finally I offered to explain in full detail the grounds and calculations of the new rate to any delegation of merchants which the Chinese Chamber of Commerce might like to send to me for the purpose of receiving such verbal *exposé*. Nothing more was heard of the matter, and a few days after the new rate came into force and has since been in operation without further question. Thus in the collecting phase the Foochow Customs revenue was permanently increased a little over 1 per cent.

3.—In regard to the *Remittance to Shanghai*, I thought best to solicit the kind assistance of the Shanghai Commissioner and to consign to him my trial shipments of treasure with particular request to have them sold as sycee in the open market. The methods then followed at Shanghai, and the experience and results obtained, are detailed in a despatch and memorandum, copy of which I enclose for the sake of the interesting and useful information contained in them.

4.—As the result of these experiments and the practical investigation at Shanghai which they led up to, I was able to draw the following conclusions:—

- (a.) That a negotiation of dollars for melting on the Shanghai market independent from one of the big foreign banks is hardly feasible and that any future shipments may therefore as well be consigned to a bank direct.

- (b.) That the Hongkong and Shanghai Bank may, however, be relied upon to give an outturn as good as, if not better than, that which is obtained from native melting shops.
- (c.) That the empirical outturn (that which Mr. de Luca in his memo. refers to as the "cooked" rate, *i.e.*, the final ratio between Shanghai taels credited by, and Foochow dollars debited to, the bank on the Remittance Voucher) has ranged from 71.18 to 71.22, thus affording us a good criterion as to the point at which it may become, or cease to be, profitable to ship dollars as compared with remittance by draft. Certain market fluctuations still exist, but being merely between *metallic silver* and *sycee* they are not comparable to the usual fluctuations between the dollar coin and sycee.

5.—Allowing for further charges such as freight, insurance, etc., I find that the "critical" rate is slightly below 71, so that at that rate or above it pays to accept a bank draft but not below, as we can always closely approximate it by shipping the dollars. Applying this knowledge to subsequent remittances, we could safely accept the unusually high rates of $71\frac{1}{8}$ and 71 respectively since offered by the local banks. The latter rate being now our effective minimum and rates of $70\frac{1}{2}$ to $70\frac{1}{4}$ or even less having been quite frequent before, we may assume that this revision of our remittance possibilities has resulted in a further gain of almost 1 per cent., in addition to the advance in the collecting rate, thus yielding as the result of the entire overhaul a total gain of almost 2 per cent., or nearly the whole shortage premised in my despatch No. 5391 (§ 3) on general theoretical grounds.

I have, etc.,

T. T. H. FERGUSON,

Commissioner.

SUB-ENCLOSURE.

The Shanghai Commissioner to the Foochow Commissioner.

No. 286.	Ports.
Foochow.	No. 395.

SHANGHAI, 1st December 1916.

SIR,

In continuation of my despatch No. 285/390, and with reference to your despatches Nos. 246 and 247, I beg to inform you that, in pursuance of your wishes, the first lot of dollars forwarded was counted and weighed—with the assistance of the Bank of China—with a view to “sale in the open sycee market.” It was only after this lengthy and very troublesome operation had been completed that it was discovered that chopped dollars are customarily bought and sold on the Shanghai market, not as so much sycee, but as representing so many standard (clean) dollars, the number (fictitious) of which is ascertained by means of the formula illustrated as follows:—

$$\frac{\text{Weight of chopped dollars in } Ts'aop'ing \text{ Tls. } 102.5 \times 100}{102.5} =$$

Canton Tls. 100

$$\text{Therefore } \frac{\text{Canton Tls. } 100}{.717} = \text{standard } \$139.47$$

Standard \$139.47 @ 71.325 (market rate) = *Sh. Tls.* 99.48,
as against 110.45 (pure silver).

2.—The market rate for standard dollars represented by a certain weight of chopped dollars varies according to supply and demand. This rate does not appear to have any relation to the rates current for Mexican dollars, chopped dollars being locally exchangeable as money only when turned into sycee. The rates obtained in the case of your two remittances are said to be unusually good.

3.—There would not seem to be any advantage in dealing with the melting shops direct, were it possible for us to do so. We must go to the bank to weigh the dollars, and, having done so, we could not possibly make better terms with the melting shop than the bank will make for us—on the contrary, we should undoubtedly fare worse.

4.—Generally speaking, we are not in a position here to buy and sell chopped dollars in the open market. It is not work that a foreign broker will undertake, and we have no relations with Chinese bullion-brokers or melting shops. Should you wish, however, to ascertain the touch and average Shanghai exchange value of Foochow sycee, it could possibly be arrived at by sending half a dozen sample shoes to the *kung ku* here through this office.

5.—I enclose copy of a memorandum prepared by Mr. de Luca, describing in detail the steps taken to dispose of your remittances and showing how the results—which I hope will be satisfactory to you—were arrived at.

I am, etc.,

F. S. UNWIN,
Commissioner.

Enclosure in Shanghai No. 286/395 to Foochow.

SALE OF FOOCHOW CHOPPED DOLLARS: COPY OF MEMORANDUM
CONCERNING, BY MR. DE LUCA, CHIEF ASSISTANT, *B.*

First Consignment (Foochow despatch No. 246).—The chopped dollars were counted by a shroff of the Bank of China in my presence and the outturn was \$8,114 *plus* three broken pieces and one 20-cent piece. They were subsequently weighed (also in my presence) by an employé of the *kung ku*, and the weights (dividing the coins into lots of 1,000) were as follows:—

	<i>Ts'aop'ing Tls.</i>
1,000	711.50
1,000	719.29
1,000	724.80
1,000	733.70
1,000	710.55
1,000	711.22
1,000	711.04
1,000	705.45
100	70.09
14 + 3 + 0.20	11.22
<hr/> 8,114 + 3 + 0.20 <hr/>	<hr/> <i>Ts'aop'ing Tls.</i> 5,808.86 <hr/>

The consignment was then offered for sale to the Bank of China, who replied that they would not buy but would only act as middleman between the Customs and a reliable melting shop.

On the following morning (*i.e.*, 21st November) the shroff of the Bank of China came to my office with a representative of a melting shop, who offered to buy the chopped dollars under the following conditions:—

The consignment (weighing *Ts'aop'ing Tls.* 5,808.86) to be discounted at the rate of 73.6 per cent., giving an outturn equivalent to *clean* \$7,893.69, which would be purchased at the rate of *Sh.Tls.* 71.35 per 100 dollars, or for the sum of *Sh.Tls.* 5,632.15. But the melting shop wanted to “shroff” the dollars in order to discard any brass ones, and in any case could not undertake the deal for another week or ten days.

I reported this to you on the very same day and received your instructions to hand the consignment to the Hongkong and Shanghai Bank and request them to dispose of the dollars and credit the I.G. Revenue Accounts with the outturn as requested by the Foochow Commissioner.

The Hongkong and Shanghai Bank has now disposed of this consignment for the sum of *Sh.Tls.* 5,637.55, as reported in their letter to the Foochow Commissioner of 25th November (copy enclosed).^{*} This result has been arrived at in the following way:—

Weight of dollars: *Ts'aop'ing Tls.* 5,808.868 divided by $102\frac{1}{2}$ = Canton weight: *Tls.* 5,667.189. (This division would be the equivalent of the 73.6 per cent. discount made by the melting shop.)

Dividing the Canton weight of *Tls.* 5,667.189 by the average rate of *Tls.* 717 = 1,000 standard dollars, the consignment of chopped dollars is equivalent to standard \$7,904.03, which was sold to a melting shop at the rate of *Tls.* 71.325 for \$100 and realised *Tls.* 5,637.55, as against *Tls.* 5,632.15 offered by the melting shop.

Second Consignment (Foochow despatch No. 247).—This consignment was handed direct to the Hongkong and Shanghai Bank and has realised the sum of *Sh.Tls.* 12,339.77, as per bank's

^{*} Not printed.

letter to the Foochow Commissioner of 25th November (copy enclosed).* The result was arrived at as follows:—

Weight of dollars: *Ts'aop'ing* *Tls.* 12,714.764 divided by
 $102\frac{1}{2}$ = Canton weight: *Tls.* 12,404.648 divided by
 717 = standard \$17,300.76: standard \$17,300.76
 @ 71.325 = *Sh.Tls.* 12,339.77.

The figures given by the Hongkong and Shanghai Bank in the two letters to the Foochow Commissioner are not in accordance with the above statements, although the results agree with those given above. In the first letter the bank quotes the following figures:—

\$5,000.00 @ 71.18 = *Tls.* 3,558.99

\$2,920.15 @ 71.18 = *Tls.* 2,078.56

TOTAL . . . *Tls.* 5,637.55

and in the second letter:—

\$12,903.55 @ 71.2245 = *Tls.* 9,190.48

\$ 4,421.64 @ 71.2245 = *Tls.* 3,149.29

TOTAL . . . *Tls.* 12,339.77

The reason for these apparent discrepancies in the rate of exchange is that the Foochow Customs having filled in the dollar amounts in the Remittance Notes, in order to make the outturn in taels agree with these amounts, the rates of exchange had to be "cooked." The fee charged by the *kung ku* for weighing the first consignment of dollars, and paid by the Hongkong and Shanghai Bank, is correct. But the conservancy tax, mentioned in the second letter, has been wrongly deducted, as it has already been paid by us when taking delivery of the second consignment previous to handing it to the Hongkong and Shanghai Bank. The comprador of the bank thought that this tax was payable by the bank and had charged it accordingly.

In order to avoid the making out of an amended Remittance Note for Peking, I have instructed the bank to wait until the next remittance from Foochow and then add on to it the amount of conservancy tax, to be refunded in the following proportion:—

I.G.'s Foreign Revenue Account *Tls.* 4.31

„ Native „ „ *Tls.* 1.48

It is not possible to obtain a "fixed ratio *independent of market fluctuations*" (*vide* Foochow despatch No. 247) on which to base the outturn in taels of chopped dollars from Foochow. Certain factors are constant, it is true, but the ultimate result depends entirely on the market rate for dollars, which is regulated not by foreign banks but by the native market and based on the question of supply and demand.

The formula for disposing of consignments of chopped dollars from the South is as follows:—

$$\frac{\text{Weight in Ts'aop'ing of chopped dollars} \times 100}{102.50} = \text{Canton weight.}$$

$$\frac{\text{Canton weight} \times 1,000}{717} = \text{standard dollars.}$$

$$\text{Standard dollars} \times \text{market rate} = \text{outturn in Shanghai taels.}$$

L. DE LUCA,
Chief Assistant, B.

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CIRCULAR No. 2644 (SECOND SERIES).

Native Customs new duty-collecting stations not to be opened by Superintendent or Commissioner without previous consultation with his colleague.

INSPECTORATE GENERAL OF CUSTOMS,
PEKING, *23rd March 1917.*

SIR,

Disagreements having latterly arisen in various Native Customs districts between Superintendents and Commissioners on the question whether particular duties ought to be levied by stations inside or by stations outside the 50-*li* radius, I referred the whole question to the Shui-wu Ch'u.

You will see from the correspondence enclosed that I pointed out to the Board that if Superintendents were to be allowed to establish new duty-collecting stations at will, the receipts of the Native Customs offices under Commissioners' control would be seriously endangered. I therefore suggested that neither a Superintendent nor a Commissioner should in future be allowed to establish a new duty-collecting office, or change a checking barrier into a duty-collecting office, without previous consultation with his colleague.

The Shui-wu Ch'u in its reply to my despatch states that my suggestion has been laid before the Ministry of Finance, that it has been approved by both the Board and the Ministry, and that Superintendents have been instructed accordingly.

I am, etc.,

F. A. AGLEN,
Inspector General.

ENCLOSURE.

總稅務司呈 稅務處

呈爲五十里內外各常關徵稅稽查之職任權限應予劃清事現據甌海關稅務司呈稱查甌海瑞安分口一帶之魚稅從前係由常稅總關徵收嗣於前任稅務司任內歸瑞安分口徵收由該口發給已經完稅之憑單其時前任稅司對於此項憑單已經承認所以從前五十里內常關應徵之稅改歸五十里外之常關稽徵至本年一月間經五十里外坎門分口之常稅委員亦擬援照瑞安辦法以徵魚稅當卽復以從前坎門分口本屬不徵魚稅仍應由五十里內之常關循舊徵收所請礙難照辦等語駁復去訖竊以目前瑞安一口所徵之魚稅亦屬不應照徵等情備文呈請察核前來總稅務司查近來一二年間所有此等辨論各常關究竟何關應行徵稅之問題在浙海關已經迭出因在各監督暨五十里外常關之委員以及包收五十里外常稅之人自然均願多徵所轄範圍以內之稅款若不將某關應徵某稅明定範圍則此等爭執問題嗣後必當常有溯查辛丑條約所載在通商口岸之常關均歸新關管理一條原爲付還賠款所定惟該約所載口岸內各常關等字樣先未聲明作何講解後經中國政府定明口岸內各常關等字樣應解爲內地分局在距口岸五十里以內者歸稅司兼管云云自經如此定明各關多係照此辦理但從前各分關向歸

總關一體統轄者後竟忽然分爲兩片在五十里內之常關以及關員等劃歸稅司兼管在五十里外之常關以及關員等劃歸監督統轄其勢自多不便第各關稅務司兼管五十里以內之常稅既係條約定明自屬不能更改然欲去此劃分總關一體管理之常關歸於兩處管轄之不便只可並將常關之在五十里外者亦歸稅司一併管轄然若照此施行則財政部以及各該管之地方官大約均有不表同情之處就令其願爲照辦而現因海關人員不敷之故其事亦屬難行觀此情形則一事而歸兩方管理一層自係難於更改竊以各口岸五十里內常關之地點實有多數均在中心外有五十里外各常關四面環繞各監督如欲再於五十里外各要地添設徵稅之分關則各貨未到五十里內常關以前監督即可徵稅發給已經完稅之憑單迨貨到五十里內常關之時稅司如不承認此項憑單再予重徵則貿易必至大受影響如承認此項憑單不予重徵則現在各關稅司應徵之常稅均被監督先予徵收所有付還賠款之常稅各款勢必全無着落籌思再四實無他法只可訂明仍照五十里內各常關未歸稅司兼管之時所有常稅總分各關究竟某口職司徵稅某口專管稽查均按向來辦法辦理以復舊章若果如此則應訂定嗣後監督如在五十里外添設徵稅分口宜先與該口稅司會訂辦法以免五十里內之常稅受虧若稅司欲在五十里內添設分關自亦應與監督會商辦理至近年浙海甌海五十里外常關新徵之稅仍應改歸五十里

內之常關照舊徵收如此辦理則於雙方均屬持平是否可行理合據情備文呈請

鑒核示復施行可也謹呈 中華民國六年二月二十二日

字字第三七號

稅務處令

前據總稅務司呈稱嗣後五十里內外各常關添設分關分卡應先由監督稅司會訂辦法至近年甌海浙海五十里外常關應徵之稅仍應改歸五十里內之常關照舊徵收呈請鑒核等情當咨財政部去後茲准復稱五十里內外常關添設分關應先由監督稅司會訂辦法一節應即准照總稅務司所擬由部處令行遵辦其甌海關坎門一口徵收魚稅既於大關稅收有碍自應仍令照舊辦理免再徵收至瑞安口所徵魚稅行之有年未便令其停徵即定海常關添設之沈家門岱山衢山螺山口四卡亦係該關監督呈部核准於五年五月一日一律開辦現在經徵已逾半載碍難遽令停辦除將嗣後添設分關應行會商一節由部令行各關監督遵照外咨復查照辦理等因前來相應令行總稅務司轉令各該關稅務司遵照辦理此令 中華民國六年三月二十日

CIRCULAR No. 2651 (SECOND SERIES).

**Opium: importation of, direct or from bond, to stop
from 1st April 1917.**

INSPECTORATE GENERAL OF CUSTOMS,
PEKING, 5th April 1917.

SIR,

With reference to Circular No. 1790:*

Indian Opium: Agreement of 1911 between China and
Great Britain:

as well as to other Circulars on the same subject, I have now to circulate, for your information and guidance, copy of Shui-wu Ch'u despatch No. 397, from which you will see that from the 1st April 1917 no opium whatever is to be allowed to be imported into China, either direct or from bond.

The legal trade in opium having now stopped entirely, it is inevitable that attempts to carry on an illicit trade will redouble. These efforts must be met by increased vigilance on our part. You are to do all in your power to suppress the smuggling of opium.

I am, etc.,

F. A. AGLLEN,
Inspector General.

* *Antea*, vol. iii, p. 4.

ENCLOSURE.

稅務處令

前經以中英禁烟條件第八條內稱每年遞減至一千九百十七年止一語即係以一千九百十七年一月一日爲停止洋藥進口之期所有印度烟土在一千九百十六年十二月三十一日以後起運來華者一概不准進口等因令行遵照辦理在案嗣據總稅務司呈稱一千九百十六年十二月三十一日存於通商各口關棧之印度洋藥共一千七百六箱半存於香港有印度政府印花者七百四十五箱半共存准運入中國之印藥二千四百五十二箱等因當經本處以查中英禁烟條件印度烟土在一千九百十六年十二月三十一日以後即不准起運來華而禁烟特派員與洋商所訂合同之限期聲明以一千九百十七年四月一日爲止現據呈稱去年年底存於各口關棧及香港之印度洋藥尙有二千四百五十二箱之多屆時限滿其所餘存土似即不應在中國銷售等因咨行外交部查核聲復去後現准咨稱經本部呈准國務院函開准貴部咨呈准稅務處咨稱查去年年底存於各口關棧及香港之印度洋藥尙有二千四百五十餘箱

現在行商所訂合同瞬屆期滿內財兩部對於處置上海香港存土問題是否另訂辦法究竟四月一日以後前項餘存烟土應否按照禁烟條件並參照合同期限停止運進中國銷售請核議解決等因茲經國務會議議決應按約停止運進中國銷售除分函內務財政兩部外函請查照辦理等因相應咨復貴處查照飭知總稅務司通令各關稅司遵照等因前來查前項餘存烟土既經國務會議議決停止運進中國銷售應自本年四月一日起所有存於通商各口關棧之印度洋藥一概不准放行其存於香港者亦不得運進各通商口岸再查中國此次禁烟幸得友邦相助今已告厥成功實乃國民幸福惟印花之土以後既不能來華私土難免乘機偷入應由各關稅務司嚴督關員認真查緝勿稍徇縱務使鴉片從此絕跡中華再無一人致受烟毒之害本處實所厚望焉除令各關監督遵照辦理外相應令行總稅務司電令各關稅務司遵照辦理此令

中華民國六年三月三十一日

CIRCULAR No. 2656 (SECOND SERIES).

Inland waters steam navigation: vessels under German flag not permitted to ply inland under I.W.S.N. Regulations. Pilotage: pilot licences held by German subjects to be suspended.

INSPECTORATE GENERAL OF CUSTOMS,
PEKING, 13th April 1917.

SIR,

In consequence of the rupture of diplomatic relations with Germany, the Government has decided that vessels flying the German flag may no longer trade on inland waterways under the Inland Waters Steam Navigation Regulations. I have accordingly to instruct you to withdraw their Inland Waters Certificates from all vessels flying, or entitled to fly, the German flag and to refuse to clear such vessels for inland trade on change of flag unless you are satisfied that all necessary formalities have been complied with.

The Government has further decided to suspend until further notice all pilot licences held by German subjects under the General Pilotage Regulations.

You will instruct your Harbour Master to take the necessary steps to suspend these licences and to notify the German pilots accordingly.

I am, etc.,

F. A. AGLEN,
Inspector General.

CIRCULAR No. 2657 (SECOND SERIES).

Native Customs new duty-collecting stations may be opened by Superintendent without consulting Commissioner if they will not affect revenue collected by stations within the 50-*li* radius.

INSPECTORATE GENERAL OF CUSTOMS,
PEKING, 20th April 1917.

SIR,

With reference to Circular No. 2644:*

Native Customs new duty-collecting stations not to be opened by Superintendent or Commissioner without previous consultation with his colleague:

I have now to circulate, for your information and guidance, copy of Shui-wu Ch'u despatch No. 499, from which you will see that if the Superintendent wishes to open a new duty-collecting station, he need only consult with the Commissioner in case the opening of the new station will affect the revenue collected by stations within the 50-*li* radius.

I am, etc.,

F. A. AGLLEN,
Inspector General.

* *Antea*, vol. iii, p. 398.

ENCLOSURE.

稅務處令

准財政部咨稱據東海關監督具呈五十里外常關添設分關分卡應劃清界綫以免爭執等情查原呈內稱五十里內常關雖歸稅務司經理而稽核督察之權仍在監督稅司如欲在五十里內添設分關分卡自應與監督商辦其五十里外常關如應設分關分卡此爲監督專責且五十里外之地所包者廣有遠在數百里以外者該監督擬請改爲五十里外常關如添設分關分卡與五十里內常關逼近而恐五十里內之常稅受虧者應先與稅司會商其非逼近者仍由監督辦理不必會商稅司一節自可准予照辦應請令行總稅司聲明權限以免爭執一面由部再予通行各關監督遵照辦理咨請查核速復以憑令遵等因前來查該監督所請劃清權限亦係慎重之意相應令行總稅務司速即聲復可也此令

中華民國六年四月十七日

CIRCULAR No. 2681 (SECOND SERIES).

Out-door Staff: further remarks on general increase of pay and promotion by seniority or by selection; Chief Examiners reclassified and their pay increased.

INSPECTORATE GENERAL OF CUSTOMS,
PEKING, 25th May 1917.

SIR,

1.—My Circular No. 2612, dealing with the Out-door Staff petition for increase of pay, has, I find, been misinterpreted in certain quarters and has given rise to a feeling of disappointment which has sought expression in the public Press. I return therefore to the subject with a view to making the position clearer and with the desire of meeting to some extent a complaint which has come to me from more than one Examiner and appears to be reasonable and remediable.

2.—The response to the petition that it was hoped I would make was no doubt a general increase of salaries. This solution I found to be impossible. Even had the funds at my disposal permitted a general increase, it would necessarily have been *per capita* so small that it would have done nothing to remove the grievances of those who consider they are inadequately paid, while it would have had to be applied equally to all. Matters would thus have been left relatively where they were. Deserving employés, whose grievance is that the Service does not offer them a career commensurate with their ambitions, would have remained dissatisfied. Undeserving employés—and I regret to say that there are still a few whose departure from our ranks would be no loss—would have received an increase to pay which is already an adequate return for the services they render. A general increase of salaries would therefore have been no solution, and, apart from its impracticability, it would not have been in Service interests.

I shall be told that the Inspector General, if he wishes to keep good men, must be prepared to give them the pay that their attainments and capacity command in other spheres of employment in China. This is quite true, and in normal times it provides a criterion which has been found to work without any difficulty. But it should be remembered that it is with other services that a service must be compared and that even in normal times commercial employment does not set the standard that we can safely follow. In

abnormal times like the present it is still less safe as a guide. A large number of men have thrown up well-paid appointments in China in order to serve their country in the field, and firms denied their usual sources of recruitment have been glad to take on any men they can locally attract. The Customs Service with its 880 Out-door Staff employés, many of them men of character possessing a knowledge of the country and language which to some extent makes up for want of previous commercial training, naturally provides a field for such recruitment, and men are constantly leaving us to take up appointments offering immediate advantages in pay and position that the Service as a general standard cannot hold out. This is inevitable in such conditions, and those who leave are only obeying a natural impulse in seeking to better themselves. If they succeed, no one will be more pleased than I to hear of their success in life. Only I would caution them to look well ahead and to make sure that the present advantages—dazzling though they may appear—have really the permanency that goes so far to counter-balance the inferior pay attainable in the lower ranks of the Service.

3.—While much has been done in recent years to improve the position and prospects of the Out-door Staff, of which perhaps sufficient account is not always taken, it is an undoubted fact that promotion by seniority, however punctual and regular, does not meet the case of the exceptionally gifted and ambitious employés. The alternative is selection, and if I have employed it very sparingly, it is because I am convinced that it is attended by certain dangers. There is always a chance of unfairness in such promotions, because with a staff scattered all over China it is impossible for me to reduce all recommendations to a common standard; and once the impression gets abroad that favouritism is at work the resulting discontent is far more difficult to meet than are grievances based on general questions of pay. My experience is that the honest, hardworking, and temperate employé, even if he is not gifted with exceptional ability, always comes to the top. There are, however, many who, feeling themselves capable of better things, have not the patience to go up the ladder rung by rung in company with those whom they consider their inferiors but who appear to get on just as fast as they do. Such men will naturally be most attracted by other employment which seems to offer a speedier career.

Nevertheless, much as I should like to keep them, I do not feel it expedient to resort to the process of selection until the higher ranks have been reached. All I can say is that while occasionally the hare wins, and deservedly so, it is most often the plodding tortoise who is found first at the winning-post.

4.—Consideration of the problem of Out-door Staff employment, with more especial reference to the examination branch, has, however, brought me to the conclusion that the reorganisation of 1910, while it met immediate requirements, did not go quite far enough. A great many Examiners feel, I believe, that the most highly paid posts in the Out-door Staff are closed to them and that with Appraiserships limited in number and requiring special qualifications they have nothing to look forward to beyond a Chief Examinership at present rates of pay. While theoretically this is not so, the tendency, I must admit, of present-day developments is in the direction of a separate examination department, and the feeling of the Examiners that they are shut out in one direction with no corresponding opening in another is not without justification. In order, therefore, to throw open to Examiners, who for one reason or another are not eligible for a Tidesurveyor's post, a career offering better prospects of ultimate pay, I have decided to divide the Chief Examiner's rank into two classes, A and B, with varying rates of pay in each class. At present the list of Chief Examiners contains the names of 43 employés, of whom 1 draws pay at a personal rate of *Hk.Tls.* 300, 6 draw *Hk.Tls.* 250, 19 draw *Tls.* 225, and 17 draw *Tls.* 200. In future Chief Examiners will be divided into Chief Examiners, A, drawing *Tls.* 250–300, and Chief Examiners, B, drawing *Tls.* 225 and *Tls.* 200. Up to the rank of Examiner, A, promotion will be by seniority according to the schedule of total time served and time served in each rank, on which for my own guidance I have now been working for some years. Promotion to and in the rank of Chief Examiner, B, will to a certain extent be by selection, as it is at present for employés in the executive branch who draw the same rates of pay; while the rank of Chief Examiner, A, which it is proposed shall be held by much the same number of employés as are now Chief Examiners, will be reserved for men of marked character and ability, and may be considered to afford the members of the examining staff the prospect of attaining a position comparable as regards pay with that of a Tidesurveyor in the executive branch. The scheme of advancement in the examining branch will thus be as follows from the 1st June 1917:—

Assistant Examiner, B . . .	<i>Hk.Tls.</i> 130.
" " A . . .	" 145.
Examiner, B	" 160.
" A	" 175.
Chief Examiner, B	" 200, 225.
" " A	" 250–300.
Appraiser	" 325, 350.
Chief Appraiser	" 350, 400.

5.—In sending out the promotions in the Examiners' ranks now due, I have taken the opportunity of this rearrangement to select for special advancement certain Examiners whose reports over a period of years have been uniformly excellent. A list of Chief Examiners, A and B, as it will appear in the forthcoming Service List is appended to this Circular.*

6.—A copy of this Circular is to be put in your Out-door Staff Order Book.

I am, etc.,

F. A. AGLEN,
Inspector General.

CIRCULAR No. 2698 (SECOND SERIES).

Seizures and confiscations: warning against premature disposal of; instructions.

INSPECTORATE GENERAL OF CUSTOMS,
PEKING 7th August 1917.

SIR,

Certain cases of premature disposal of seizures which have occurred during the last year make it necessary to draw attention to the instructions of Circular No. 609,† in which guiding principles for the treatment of seizures and confiscations have been laid down.

It occasionally happens that a Commissioner's decision to fine or confiscate cargo belonging to Chinese is made the subject of appeal to the Inspector General, and on inquiry it is found that the goods seized have already been disposed of by auction sale or by sale to a third party. Such premature disposal of seizures makes appeals of this nature very difficult to deal with here, more especially if the merchant has invoked and secured the support of the local Chamber of Commerce and the appeal from that body goes direct to the Shui-wu Ch'u. The trouble that is given is all the more unwelcome in that it is quite avoidable if Commissioners or their subordinates who handle seizures will remember that a local decision is not necessarily final, and that, just as foreign merchants have a right of appeal to their Consul, so Chinese merchants have a right of appeal to higher authority. Confiscated cargo should never be disposed of

* Not printed.

† *Antea*, vol. ii, pp. 8-10.

until ample time has been given for a full development of the case, and when fines are disputed, enforcement by sale of detained cargo to other than the owner should never be resorted to. All whose business it is to handle seizure cases will do well to re-read carefully Circular No. 609, and more especially paragraph 5, which is here reproduced:—

“You are therefore in future not to act in confiscation cases hurriedly, either in the matter of decision or, and more especially, disposal of goods. See that abundant time is given for all circumstances to develop and be understood. Even when the proper decision is made there is no need to be hasty in realising the value of the goods: as long as we have them in hand a mistake may be rectified. There is no objection to the appearance of ‘unsettled’ cases at the end of a quarter—though they need not be carried over the end of a second one—if there is sufficient reason for delaying a settlement.”

I am, etc.,

F. A. AGLEN,
Inspector General.

CIRCULAR No. 2704 (SECOND SERIES).

War: depletion of staff caused by: revenue work to be attended to by foreign Assistants; accounts and secretarial work to be entrusted to Chinese Assistants; instructions.

INSPECTORATE GENERAL OF CUSTOMS,
PEKING, 15th August 1917.

SIR,

The withdrawal of all German and Austrian Customs employés made necessary by the declaration of war with Germany and Austria on the 14th August, coming as it does at a time when the Service is already seriously depleted, is bound to cause great inconvenience, and until matters adjust themselves there will be a certain amount of dislocation. Our chief function, to which all others are subordinate, being the collection of revenue, I have decided to maintain the foreign staff of the principal revenue-collecting ports as far as possible at full strength and to leave the ports whose revenue

collection is comparatively insignificant short-handed for the moment. In doing so I am aware that I shall throw more work on Commissioners, Tidesurveyors, and those who remain, but I must appear to all to do their best to tide over the difficulty. Considerably more work will have to be entrusted to Chinese, and it should be a rule that the senior and most efficient foreign Assistant is placed in charge of the General Office instead of, as so often happens, being employed as Commissioner's secretary and accountant—work which, under the Commissioner's personal supervision, might very well be entrusted to a Chinese Assistant.

I am, etc.,

F. A. AGLEN,
Inspector General.

CIRCULAR No. 2715 (SECOND SERIES).

**Pilotage Regulations: text of General Regulations cannot be modified;
changes to be embodied in local rules; instructions.**

INSPECTORATE GENERAL OF CUSTOMS,
PEKING, 8th September 1917.

SIR,

The question of modifications in Pilotage Regulations having recently been brought forward by certain ports, I have to request you to take note that changes in the text of the General Pilotage Regulations cannot be made to suit the requirements of individual ports and that when changes in local practice or regulations are desired they must be embodied in local rules. Your attention is also drawn to the ruling contained in Circular No. 1750,* that proposed changes must be submitted to the Coast Inspector for his scrutiny and comment before being referred to the Inspector General and Consuls for approval.

I am, etc.,

CECIL A. V. BOWRA,
For Inspector General.

* The ruling referred to, dated 23rd December 1910, is as follows: "I have to instruct you in future when you have occasion to draw up new Pilotage or Harbour Regulations, or to revise, add to, or change old Regulations, invariably to forward the draft embodying your suggestions to the Coast Inspector for scrutiny and criticism before submitting it to Superintendents and Consuls."

CIRCULAR No. 2718 (SECOND SERIES).

War between China and Germany, etc.: various instructions
re, circulating.

INSPECTORATE GENERAL OF CUSTOMS,
PEKING, 14th September 1917.

SIR,

With reference to Circulars Nos. 2703, 2711, and 2713, dealing with:

War between China and Germany, etc.:

I have now to circulate, for your information and guidance, copy of Shui-wu Ch'u despatch No. 1072, enclosing extracts from the various regulations issued by the Government in connexion with the war, on matters that concern the Customs.

A translation of these extracts is appended.

I am, etc.,

CECIL A. V. BOWRA,
For Inspector General.

ENCLOSURE No. 1.

稅務處令

現在中國對德奧宣戰所有政府決定辦法凡關於海關者除已專案行知外相應將其餘各案一併鈔錄
令行總稅務司遵照辦理可也此令附鈔件 中華民國六年八月十六日

第一〇七二號

政府對德奧宣戰決定各項事宜辦法凡與海關有關者開列於左

一宣戰後各官署頒行公文所用文詞應留意左列各款

甲稱大總統市告所指定中國向其宣戰之國曰敵國敵國軍人及非軍人而直接間接爲利於敵國軍事之行爲者均曰敵人此外旅居中國之敵國及其眷屬之無關於軍事者均稱之曰敵國人民

乙總稱英法日俄意比等現在與德奧土布等國開戰諸國曰聯軍方面各國總稱德奧土布等國曰德奧方面各國稱美國仍曰美國不在聯軍方面之內

丙稱英法日俄意比德奧土布美以外諸國曰中立各國

丁 對於敵國之皇帝皇后王王妃等元首及皇族仍用其固有之稱號侮蔑字樣權不使用

戊 既已宣戰無論實際交戰與否所有前此頒布之法律命令內有戰時字樣者應特別注意斟酌援引施行

一 宣戰後前此與敵國締結之政治條約及因鞏固平和交際而締結之條約當然消滅

例如同盟約商約航約稅約等皆是

其列國普通條約應中止其效力

例如電報郵政羅馬農會諸約此項條約不僅我與敵國間有關係第以戰爭期內無法履行僅能認為中止
俟平和恢復後當然恢復

至戰時適用之條約應繼續有效

例如紅十字會條約兩次海牙會議中國所批准之條約均須於戰時始能實行故應繼續有效

又有關於私法之條約例如一九零二年海牙關於婚姻監護離婚諸約是履行終結之條約例如割地劃界等

約是皆應繼續有效但中國與敵國間並無是等條約可無庸議

一 敵國人民在中國之雇員合同應分別辦理

甲 根據於條約者 此類合同其所根據之條約失效亦當然失效

乙 不根據於條約者 此類合同係中國國家與敵國人民私人間訂立者中國政府得因軍事或政治上之必要起見停止其效力俟恢復和平後再行繼續或逕行取消之

若敵國雇員並無合同者辭退與否由政府斟酌辦理

一 處分敵國人所有之航海商船及內河航船

凡在本國境內之敵國大小商船無論從前已否監視及尚在營業與否宣戰後一律由政府押收

ENCLOSURE No. 2.

Everything that concerns the Customs in the measures relating to various matters decided on by the Government in connexion with the declaration of war on Germany and Austria is enumerated below.

1.—After the declaration of war, in the wording of all official documents attention is to be paid to the following:—

(a.) The countries on whom, according to the President's Proclamation, China has declared war are to be termed 敵國 (enemy countries). Soldiers of enemy countries and civilians who are of direct or indirect assistance to the military measures of enemy countries are all to be termed 敵人 (enemies). Other subjects of enemy countries and their families, resident in China, unconnected with military matters are all to be termed 敵國人民 (subjects of enemy countries).

(b.) Great Britain, France, Japan, Russia, Italy, Belgium—the countries now at war with Germany, Austria, Turkey, and Bulgaria—are collectively to be termed 聯軍方面各國 (the Allied Group of countries).

Germany, Austria, Turkey, and Bulgaria are collectively to be termed 德奧方面各國 (the German-Austrian Group of countries).

America is still to be termed 美國 (America). It is not included in the Allied Group.

(c.) Excepting Great Britain, France, Japan, Russia, Italy, Belgium, Germany, Austria, Turkey, Bulgaria, and America, all other countries are to be termed 中立各國 (neutral countries).

(d.) The Emperors, Empresses, Kings, and Queens—heads of enemy States—and their Royal families are still to be spoken of by their national titles. No insulting terms are to be used.

(e.) Since war has been declared, no matter whether hostilities actually occur or not, special attention should be paid to all laws, regulations, and Presidential Mandates previously issued in which reference is made to the time of war, and they should be carefully weighed when being quoted or put into practice.

2.—After the declaration of war all political treaties and treaties framed for the improvement of friendly intercourse formerly concluded with enemy countries become, *ipso facto*, null and void, *e.g.*, Treaties of Alliance, Commercial Treaties, Navigation Treaties, Customs Treaties, etc.

International General Treaties must lose their force for the time being, *e.g.*, Telegraph and Postal Conventions and the Agricultural Convention of Rome. These treaties do not only concern us and enemy countries; but while hostilities continue, as there is no possibility of carrying them out, they can but be looked on as suspended. As soon as peace is restored they will again, *ipso facto*, become operative.

As for treaties dealing with times of war, they will continue to remain valid, *e.g.*, the Red Cross Treaties and the treaties acceded to by China at the two Hague Conventions are all treaties that can only become operative in war time and therefore they must continue valid.

Again, treaties concerning personal law, *e.g.*, The Hague Treaties of 1902 dealing with marriage, guardianship, and divorce; treaties that have already been completely executed, *e.g.*, cessions of territory and boundary demarcations, all continue valid. But as China has no such treaties with enemy countries it is no use considering them.

3.—The contracts of enemy subjects engaged by China as officials are to be treated differentially:

(a.) Contracts based on treaties. As the treaties on which they are based have become invalid, these contracts, *ipso facto*, become invalid too.

(b.) Contracts not based on treaties. Such contracts are entered into by the Chinese State with private persons, subjects of enemy countries. The Chinese Government may, on account of either military or political necessity, make their validity cease. On the restoration of peace they may again be observed or else cancelled outright. Enemy subjects engaged as officials without any contract will be discharged or not at the discretion of the Government.

4.—Disposal of enemy merchant vessels plying on the high seas or inland waters. All large and small enemy merchant vessels situated within Chinese territory, whether they were previously under supervision or were still trading, will be taken over by the Government after the declaration of war.

CIRCULAR No. 2747 (SECOND SERIES).

**Chartered junks: privileges granted to Chinese firm Chü Hsin Tsun
for conveyance of wood oil for export abroad from Upper
Yangtze ports; instructions.**

INSPECTORATE GENERAL OF CUSTOMS,
PEKING, 12th November 1917.

SIR,

With reference to Article VII (c.) of the Revised Yangtze Regulations (cf. Circular No. 868,* page 250):

Chinese junks chartered by foreigners are only available for conveying foreign-owned cargo from treaty port to treaty port; they must take out special junk papers at the Customs, to be obtained in exchange for Bonds executed at and deposited with the Customs, the conditions of the Bond being that the cargoes are *bona fide* foreign property and will be landed and pay duty at a treaty port and the penalty that if the cargoes fail to be so landed and pay duty no chartered junk will thereafter be cleared for the foreigner in question. Such junks to report, work cargo, and pay duties in the same way as lorchas, papicos, etc.:

as also to Circular No. 559:†

Extending to the China Merchants Steam Navigation Company the privilege granted to foreign merchants in the Additional Article of the Chefoo Convention (cf. Circular No. 541, page 390) of chartering vessels of Chinese type for trade between Ichang and Chungking:

and, finally, to Circular No. 1665:‡

Extending provisionally the privilege of chartering junks under the Yangtze Regulations to Chinese, but only with regard to junks carrying Chinese-owned timber, coal, and charcoal from Hankow to open ports down river:

I have now to circulate, for your information and guidance, copy of Shui-wu Ch'u despatch No. 1615, from which you will see that a further step has been taken towards placing Chinese on an equality with foreigners in the matter of chartered junks.

* *Antea*, vol. ii, pp. 159-161. † *Antea*, vol. i, p. 647. ‡ *Antea*, vol. ii, p. 684.

The firm of Chü Hsin Tsun (聚興誠) is in future to be allowed to charter junks at Chungking, Wanhhsien, and Ichang to convey wood oil (桐油) intended for exportation abroad to down-river ports.

Junk papers are to be granted to the firm under conditions corresponding to those laid down for foreign merchants in Article VII of the Yangtze Regulations.

I am, etc.,

F. A. AGLLEN,
Inspector General.

ENCLOSURE.

稅務處令

案據總稅務司字第二四零號呈以商人聚興誠擬請於長江口岸按照洋商僱用民船運貨辦法辦理似可照准所請等因到處一案本處查呈內所引以上核准兩案均經該地方官代請自當與該處一切釐捐無礙其局商一案只准在宜渝行駛其准由漢口駛往下游之案亦限定裝運自置之木植煤炭茲聚興誠請按照洋商僱用民船運貨辦法擬於長江一帶行駛究於該地方釐捐有無損礙本處未便懸揣當經咨行財政部查核見復以憑辦理去後茲准復稱查洋商僱用華船由通商此口運貨赴通商彼口其請領牌照與查驗貨物之權照章係歸海關管轄前清光緒十七年總署飭准招商局僱用華船行駛宜渝及宣統元年貴處核准漢鎮華商用民船裝運自置木植煤炭兩案均係經該地方官代請自與該處釐捐無礙今聚興誠請按照洋商僱用民船運貨辦法核與重慶宜萬一帶釐稅不免妨礙惟查該商號販運桐油直接輸出外洋上年曾經本部准予免徵夔關釐金及宜昌過境稅以示提倡此次請援洋商僱用民船辦法既經稅務司認為華洋商人得享同等利益應准該商號僱用民船赴關請領專牌祇以直接輸出之桐油為限如該商號欲援此辦法推及於他種貨物須再具呈部處聲敘理由以憑核奪貴處如表贊成即請查照上列辦法令行總稅務司轉飭遵照等因前來查部擬辦法准該商僱用民船專載輸出桐油如欲援此辦法推及他種貨物准再呈請部處核奪此項辦法本處甚表贊成除咨復財政部外相應令行總稅務司遵照辦理可也此令 中華民國六年十一月七日

CIRCULAR No. 2756 (SECOND SERIES).

Tariff Revision, 1918: appointment of Chinese Commission notified.

INSPECTORATE GENERAL OF CUSTOMS,
PEKING, 17th December 1917.

SIR,

Arrangements for revising the Import Tariff to bring it to an effective 5 per cent. have now been completed, and a Chinese Commission has been appointed to sit at Shanghai and meet in conference the delegates of the Treaty Powers.* For your information and for record in this connexion I enclose copy of Shui-wu Ch'u despatch No. 1826, from which you will see that the Chinese Commission will be presided over by Mr. Tsêng Shu Ch'i (曾述榮), a member of the Shui-wu Ch'u, with Mr. Li Ching-ming (李景銘), of the Ministry of Finance, and Mr. L. A. Lyall, Commissioner of Customs, detached, as Vice-Presidents. These appointments have been confirmed by Presidential Mandate. I further enclose copy of Shui-wu Ch'u despatches Nos. 1822, 1824, and Shui-wu Ch'u letter No. 537 on the subject of the Commission. You will see that the Conferences will be opened on 5th January 1918, that the Shanghai Superintendent of Customs, the Statistical Secretary, and the Shanghai Commissioner are *ex-officio* associated with the work of revision, and that, in addition to the President and Vice-Presidents of the Chinese Commission, a staff of *Hui-pan* (會辦) and *Hui-yüan* (會員) have been appointed, of whom the former only will have a seat at the Conferences.

In a later Circular I shall notify the names of the delegates of the foreign Powers when all appointments have been made.

I am, etc.,

F. A. AGLEN,
Inspector General.

* Representatives of 14 foreign Powers took part in the work of this Tariff Revision Commission, which sat at Shanghai from the 5th January to 20th December 1918. Much time was lost in discussing a provisional surtax to be imposed forthwith so as to give China an immediate effective 5 per cent rate. The tariff was finally prepared on the basis of an effective 5 per cent of the average values of merchandise during the years 1912-16, the determination of the values being decided by the Commission from valuations in Customs returns as well as from all other available evidence. The revised tariff was accepted by the Powers and put into effect on the 1st August 1919. For account of the work of the Commission, *vide* Wright, "China's Struggle for Tariff Autonomy," Shanghai, 1938, pp. 426-437.

ENCLOSURE.

稅務處令

民國六年十一月三十日奉

大總統令派曾述堃爲修改現行進口稅則委員會主任李景銘賴發洛爲副主任此令等因奉此除分行外相應令行總稅務司遵卽轉令稅務司賴發洛遵照可也此令 中華民國六年十二月三日

稅務處令

案查本處節准外交部來咨以提議修改進口稅則應由部處各派人員前往上海設立調查會一事本部迭與外交團接洽商妥並訂期在上海開會所有貴處擬派該調查會主任暨隨同辦理各員亟應從速遴定以備前往開會等因業經本處會同外交財政農商等部分別遴派人員並呈請

大總統簡派該會主任副主任各在案茲查江海關監督馮國勳江海關稅務司威厚瀾駐滬造冊處稅務司戴樂爾均係辦理稅務有年商情亦甚明澈堪以派令會同辦理該會籌議各事宜經咨商財政部同意除分行外相應令行總稅務司查照轉令各該稅務司遵照可也此令 中華民國六年十二月一日

第一八二六號

第一八二二號

稅務處令

案查修改稅則在滬設立委員會一事前准外交部來咨以准英朱使照稱協約國駐京各大臣會議於本年十二月一日爲開會之期茲日本駐京大臣來函以日本政府現正考查稅則貨類從新列爲等第之問題深慮不能如期遣員蒞會故請中國政府改定明年一月無論何日作爲開會之期云云擬請將開會日期緩至明年一月之間等語並准和丹日各公使來文均以十二月一日開會爲期太迫深恐政府選派委員不及與會各等因查前項會期各使既擬展至明年一月間自可允予展緩應請由財政部於是月內酌定日期知照本部以便照會各關係國公使轉知該國政府所派委員屆時蒞會等因到處旋准財政部咨開前項會期本部擬定於明年一月五號爲開會之期應咨查照等因先後咨照前來相應令行總稅務司查照轉令稅務司賴發洛威厚瀾戴樂爾知照可也此

令中華民國六年十二月三日

稅務處來函

逕啟者案查本處及財政外交農商等部會同呈請簡派修改進口稅則委員會正副主任各員一案於民國六年十一月三十日奉

大總統指令呈悉會述榮等已有令明發餘均准如所擬派充卽由該部轉行遵照此令等因奉此除奉令派正副主任各員及開會日期並添派稅務司威厚瀾等會同辦理各節業經另文行知外相應抄錄原呈兩達執事查照再呈內一等委員田章燕一員現已派充本處四等幫理合併聲明專此順頌

日社附件 中華民國六年十二月六日

信字第五百三十七號

會呈 大總統文

呈爲修改現行進口稅則在滬設立委員會擬請簡派正副主任各員以專責成事竊查修改通商進口稅則切實值百抽五一案業經本部咨請外交部與公使團先後商議已得各國公使贊成雖其間尚有應俟商榷之處大致亦可望磋商就緒並據各公使聲稱修改稅則重在調查貨價須先在上海設立委員會雙方派員會商等語由外

交部咨請查照辦理前來查修改進口稅則在滬設立委員會應行籌備各事至關重要所派人員必須洞悉商情練達樞務方能於事有濟茲查有稅務處提調曾述榮財政部原任賦稅司司長現任印花稅處總辦李景銘及總稅務司安格聯所保之漢文秘書科稅務司賴發洛均辦理稅務多年於商情亦甚明澈擬請

明發命令簡派曾述榮爲修改現行進口稅則委員會主任李景銘賴發洛爲副主任又財政部參事項驥外交部秘書張煜全僉事陳海超農商部技正施弼堪以派充會辦農商部僉事周典稅務處三等幫理許金水四等幫理李端榮一等委員田章燕柳宗權財政部僉事朱神恩僉事上行走曹樹藩主事邵長光辦事員譚懷均堪派充該會會員所有改訂現行進口稅則在滬設立委員會擬請簡派正副主任各員緣由理合會同呈請

鑒核訓示施行再此呈係財政部主稿會同外交部稅務處農商部辦理合併陳明謹呈

大總統

SEMI-OFFICIAL CIRCULAR No. 21.

Service of the National Loans of the 3rd and 4th years of the Republic: receipts of Native Customs establishments outside 50-*li* radius and in interior to be handed over by Superintendents to form fund for redemption of drawn bonds; I.G.'s preliminary instructions to Commissioners.

INSPECTORATE GENERAL OF CUSTOMS,
PEKING, 16th January 1918.

SIR,

As you are aware, I have been entrusted by the Chinese Government with certain duties and responsibilities in connexion with the service of the National Loans of the 3rd and 4th years of the Republic (Circulars Nos. 2345 and 2359). Owing to the disorganisation of Government finance which culminated in the so-called moratorium of 1916, and to the fact that certain revenues pledged as securities for the above loans were diverted from their proper purpose, it became necessary for me to take steps to secure the interest payments of the two loans. The measures taken have proved adequate and the loan service has proceeded smoothly. But I was unable at the time to make any provision for the redemption of the loans, which, according to the regulations, ought to have begun in December last by the first annual drawing of the bonds of the Third Year Loan. Arrangements have now, however, been made by the Ministry of Finance which it is hoped will provide a permanent fund to meet the drawings of the bonds of both loans until they are finally redeemed.

In order that I may be able to give effect to these arrangements I must ask the Commissioners at certain ports kindly to give me their assistance, and I will now explain what will be required.

The Government has decided that the net revenue collection of the Native Customs establishments outside the 50-*li* radius at treaty ports and of all Native Customs establishments in the interior of China are to be handed to me by the Superintendents who are responsible for their administration. The Ministry assesses the total collection—less expenses, which amount to about 20 per cent.—at some 7 million dollars a year, but it is probably considerably more. A list of the establishments, giving assessment and actual collection for the years 1915 and 1916 and for the month of October 1917, is appended to this Circular.

You will observe that they may be said to fall within three categories: (*A.*) establishments at treaty ports, that is to say, the Native Customs outside the 50-*li* radius with which we are more or less familiar and in touch; (*B.*) establishments at inland places in the neighbourhood of treaty ports and more or less easily accessible, *e.g.*, Wuchang; and (*C.*) establishments in the interior which for the present are quite out of reach, *e.g.*, Ta-chien-lu, Dolonnor, etc. The Superintendents in sole control of establishments whose centre is a treaty port and of establishments in the vicinity of treaty ports will be instructed to hand over their monthly net collection to the Commissioner of Customs; the Superintendents in charge of distant establishments will be instructed to remit their collection either direct to the I.G.'s bank account at Shanghai or to the nearest Commissioner of Customs, whichever may be found to be more convenient.

It is expressly laid down that the Inspector General will not administer these Native Customs establishments or interfere in any way with the Superintendents' control of them. That may come later. For the present all that is contemplated is that the receipts, such as they are, shall flow into the I.G.'s accounts instead of being remitted to the Ministry of Finance. Development will in all probability follow the lines of the Salt Revenue Inspectorate rather than existing Native Customs precedents.

Some difficulty will doubtless be experienced in obtaining any receipts from Superintendents in spheres temporarily beyond the control of the Central Government, and it will be necessary, when the word is given to go ahead, to proceed with tact and caution. You will notice certain omissions from the October 1917 return of collection, which are significant in this connexion.

I do not desire any action to be taken until receipt of further instructions, which will be issued by Circulars in the Semi-official Series. The remittance procedure will follow closely on the lines of the existing procedure for remitting Foreign and Native Customs revenue collections, a remittance note of a different colour being adopted. Meanwhile, I shall be glad to receive any suggestions or observations that may occur to the Commissioners who will be affected by this new and interesting departure, by semi-official letter.

I am, etc.,

F. A. AGLEN,

Inspector General.

ENCLOSURE.

ASSESSMENT AND ACTUAL REVENUE COLLECTION OF
NATIVE CUSTOMS ESTABLISHMENTS NOT UNDER
MARITIME CUSTOMS ADMINISTRATION.

NATIVE CUSTOMS.	NEAREST TREATY PORT.	1915.		1916.		October 1917.
		ASSESS- MENT.	COLLEC- TION.	ASSESS- MENT.	COLLEC- TION.	COLLEC- TION.
		\$	\$	\$	\$	\$
多倫 (Dolonnor) ..(C.)	(Peking)	126,060	93,092	126,060	99,178	11,851
張家口 (Kalgan) ....(C.)	(")	150,543	222,048	166,876	237,035	15,942
殺虎口 (Fêng-chên) ..(C.)	(")	275,447	298,937	300,000	239,820	..
塞北 (Kuei-hua-chêng)(C.)	(")	342,140	370,937	352,429	384,569	..
京師 .. . . . . .(A.)	(At Peking) . . .	1,042,875	959,066	1,241,684	1,313,813	89,937
左右翼 .. . . . . .(A.)	(")	236,004	263,086	..	..	..
山海 .. . . . . .(A.)	At Newchwang ..	522,840	519,442	522,841	583,130	65,754
津海 .. . . . . .(A.)	„ Tientsin	79,237	86,767	79,237	78,247	15,499
臨清 .. . . . . .(C.)	Tientsin or Kiaochow	244,706	356,754	244,706	176,769	17,066
東海 .. . . . . .(A.)	At Chefoo	222,027	260,295	220,762	241,961	22,000
成都 .. . . . . .(C.)	Chungking	82,800	58,800	204,000	135,839	..
打箭爐 .. . . . . .(C.)	„	34,400	25,014	..	..	3,548
雅安 (Ya-chou) ....(C.)	„	54,000	31,596	..	..	..
甯遠 .. . . . . .(C.)	„	61,000	24,592	66,760	32,580	..
婁關 (Kuei-chou-fu) (B.)	Wanhsien or Ichang	211,987	220,034	211,988	225,569	15,101
荊州 .. . . . . .(B.)	Shasi	156,712	151,166	156,713	91,030	12,987
辰州 .. . . . . .(C.)	Changsha	150,000	158,867	150,000	201,716	11,242
寶慶 .. . . . . .(C.)	„	27,000	29,651	27,000	26,447	925
新隄 .. . . . . .(B.)	Yochow or Hankow .	428,260	463,506	428,260	461,336	26,582
漢關 .. . . . . .(C.)	Hankow	128,193	110,990	174,000	179,461	21,493
武昌 .. . . . . .(B.)	„	160,750	176,722	161,133	177,254	13,987
贛關 (Kan-chou) ....(C.)	Kiukiang or Swatow .	95,640	90,087	98,340	106,194	5,383
蕪湖 .. . . . . .(A.)	At Wuhu	147,330	191,770	147,330	179,254	20,748
鳳陽 .. . . . . .(C.)	Nanking	430,900	493,952	430,900	324,469	42,624
淮安 .. . . . . .(C.)	Chinkiang	190,021	182,610	194,932	168,067	27,866
揚由 (Yang-chou) ....(B.)	„	221,812	245,377	221,813	162,465	13,411
江海 .. . . . . .(A.)	At Shanghai	245,990	204,601	245,990	245,593	21,618
浙海 .. . . . . .(A.)	„ Ningpo	80,350	99,688	83,600	105,455	7,670
甌海 .. . . . . .(A.)	„ Wenchow	17,200	21,540	18,000	20,339	1,212
閩海 .. . . . . .(A.)	„ Foochow	110,400	150,131	113,650	149,127	13,640
廈門 .. . . . . .(A.)	„ Amoy	109,729	125,005	111,853	117,159	..
潮海 .. . . . . .(A.)	„ Swatow	148,151	135,232	149,416	143,415	..
粵海 .. . . . . .(A.)	„ Canton	310,194	213,561	287,003	177,771	..
太平 .. . . . . .(B.)	Canton	270,000	165,590	270,000	180,308	17,423
潯州 .. . . . . .(B.)	Wuchow	153,400	126,235	154,800	93,782	8,132
瓊海 .. . . . . .(A.)	At Kiungchow	111,002	103,359	..	..	..

SEMI-OFFICIAL CIRCULAR No. 22.

Service of the National Loans of 3rd and 4th years of Republic: forwarding copy of Presidential Mandate ordering receipts from Native Customs Collectorates to be paid over to I.G.; Commissioners to arrange with Superintendents and remit to I.G. of Customs National Loans Sinking Fund Account; instructions.

INSPECTORATE GENERAL OF CUSTOMS,
PEKING, *2nd February* 1918.

SIR,

1.—In continuation of S/O Circular No. 21, I now append for your information and guidance copy of letter No. 230 from the Ministry of Finance, which records the Presidential Mandate sanctioning the proposal of the Ministry to place the receipts of the Native Customs Collectorates in my hands for the formation of a sinking fund to redeem the bonds of the Third and Fourth Year National Loans. The Ministry's Memorial on this subject, together with the instructions issued to the Superintendents and the regulations drawn up to define the Inspector General's powers and responsibility, are also enclosed.

2.—You will see that the Ministry has also divided the Collectorates into three categories, but that the classification differs in a few instances from that adopted by me in the preceding Circular. Thus the Lin-ch'ing (臨清), Ch'en-chou (辰州), Fêng-yang (鳳陽), and Huai-an (淮安) Collectorates classed by me under *C* have been included by the Ministry with other river and coast Native Customs, whose revenue receipts are to be applied for and remitted by the Commissioners most conveniently situated to do so; while the Hsün-chou (潯州) Collectorate has been placed by the Ministry in the list of inaccessible inland Native Customs. You will also see that it has been arranged that the receipts of all the distant Collectorates in the *C* class, including those in the neighbourhood of Peking, shall be remitted as before by the Superintendents in charge and handed to me here by the Ministry of Finance.

3.—The ground having been so far prepared, I have now to instruct you as follows. The Commissioners responsible for the remittance of the receipts of the extra-50-*li* Collectorates at the treaty ports should immediately confer with their respective Superintendents and arrange for the handing over of the net receipts for each month since the date of last remittance made direct to the Ministry of Finance. It would be well, if possible, to fix a date,

and I suggest the 5th of the following month for the previous month's receipts. The actual date, however, is not important; what is important is to establish regularity from the outset, and this can best be achieved by fixing with the Superintendent a date and adhering to it. The net receipts may be handed over in any form convenient to the Superintendent in taels or dollars, but you are to note that they are to be remitted in dollars to my account. It may be necessary to open local bank accounts for their reception; this and other details I must leave to the discretion of Commissioners. But if accounts are kept in dollars, you are to be careful to claim the usual current account interest on them.

4.—Remittances are to be made as promptly as possible after receipt of the collection to the "I.G. of Customs National Loans Sinking Fund Account" with the Hongkong and Shanghai Bank, Shanghai. This account is a dollar account. The remittances are to be made under cover of a Remittance Note printed on pink paper, which is to be treated in all respects like the Remittance Notes for Foreign and Native Customs revenue. A copy of the Note is appended, [B.—13],* and books containing the necessary forms will be supplied by the Statistical Secretary as soon as they can be printed. A monthly statement of receipts and remittances is to be made out on the lines of the enclosed *pro forma* * and addressed to the Revenue Chief Accountant here.

5.—The Commissioners whose duty it will be to remit the receipts of Collectorates in the *B* category, as now revised, will arrange to visit in person or by deputy the Superintendent in charge of the Collectorate concerned. In cases where it is doubtful which office may most conveniently handle remittances—for example, Lin-ch'ing, which may be reached from either Tientsin or Kiaochow; Kuei-kuan, accessible to either Wanhsien or Ichang; and Hsin-ti, in the neighbourhood of both Yochow and Hankow,—the Commissioners concerned will first confer with each other, and, having come to some conclusion, telegraph the result of their consultation to me. Generally speaking, it is desirable to limit as far as possible the number of separate ports handling remittances, and for Inspectorate purposes it would be more convenient for Hankow, which in any case will deal with the Wuchang Collectorate, also to handle the receipts of Hsin-ti.

6.—As stated in the preceding Circular, tact and discretion will be required in dealing with Superintendents whose Collectorates

* Not printed.

are in districts no longer for the moment controlled by the Central Government. It is not to be supposed that much attention will be paid to the instructions of the Ministry of Finance, and Superintendents will probably represent that their receipts are now remitted to provincial head-quarters. Recourse may therefore have to be made to higher authority. I do not want at the outset to be confronted with a point-blank refusal in writing, so discussion had better first be confined to personal interviews. If a line of argument is wanted, it will readily occur to you to represent that these loans are obligations in every sense as national as the foreign loans, that holders of the bonds are scattered all over China irrespective of party and politics, and that no matter what questions may now unhappily divide the country the national credit must at all costs be maintained.

7.—Commissioners who incur any expenses in carrying out these instructions and in connexion with National Loan service in future are authorised to charge such expenditure as an advance on account of the Inspectorate in their Suspense Account, and to apply periodically to me for refund from National Loan service funds. It is not anticipated that the work will call for any increase of staff, and no such increase is to be made without my authority.

I am, etc.,

F. A. AGLEN,
Inspector General.

ENCLOSURE No. 1.

財政部來函

逕啟者提撥常關稅款交由

貴總稅務司專款儲存作爲三四兩年公債還本一事前接公字二百九十二號來函請將此項令飭原文照鈔一份函送到署以便轉令各該關稅務司與該關監督接洽辦理等因當以此案業經擬訂簡章呈候大總統鑒核一俟奉 令核准通令各關照辦屆時卽當知照

貴稅務司以憑接洽等因函達在案茲於本月二十九日奉

大總統批令准如所擬辦理此令等因除令行各關監督外相應抄錄令稿及簡章附件函達查照辦理並希

見復此致

總稅務司安附件 中華民國七年一月三十一日

財政部訓令第

號

令各關監督

查三四兩年內國公債原以常關稅款一部分作爲保證現在已屆償本抽籤之期亟宜早爲籌集庶免臨事周章茲由本部擬託總稅務司保管常稅作爲籌償公債基金特訂簡章八條於本年一月二十九日呈奉

大總統批令准如所擬辦理此令等因奉此合將本部原呈及簡章一份印發各關以便遵辦除知照總稅務司并分行外爲此令知遵照此令

附件

中華民國七年

月

日

財政總長

呈 大總統文

呈爲籌償內國公債擬以常關稅款儲作基金委託總稅務司保管仰祈

鈞鑒事竊查民國三四兩年內國公債原由公債局董事會公推總稅務司安格聯爲會計協理專管還本付息事宜經部呈明有案此項公債係以常關稅課一部分作爲擔保除按年屆期付息及已收買各債票不計外三年內國公債實負債額二千四百九十二萬六千餘元原定自民國六年起至十四年止每年於十二月十五日償還總

數九分之一四年內國公債實負債額二千五百八十二萬九千餘元原定自民國七年起至十二年止每年於二月十五日償還總數六分之一現在已屆還本之期若不設法儲集基金在政府捉襟肘見勢必致有失信用此後募集公債更難著手再查常關稅課自歸部整頓以後歷年稅收已達七百萬元左右祇以國家多故每有事變稅款輒被截提事後追索終成亡羊在本部綜理稅政亦宜妥籌維持以期補救於將來茲爲鞏固公債信用並以保存稅課起見擬將常關稅款委託總稅務司保管在海關監督兼管之常關由監督按月將徵解常稅交付稅司轉解儲存其距海關較遠之內地常關卽由總稅務司派員向關按月提取在總稅務司祇有保管稅項之責並無經徵稅收之權與海關稅之歸稅司管理者截然不同至邊遠常稅各關總稅務司不能派員提取暨各關向例就地指撥之款關監督仍須照常撥付者並由本部按數另行籌交總稅司保管以爲公債償本基金之用一俟三四兩年債本清還卽取消此項辦法仍由監督收款解部庶於公債信用得以鞏固中央專款藉以保全似於財務行政不無小補所有籌償內國公債委託總稅務司保管常關稅款各緣由是否有當理合擬訂簡章呈乞

鑒核施行謹呈

大總統

籌擬委託總稅務司保管五十里外常關及沿江海內地常關稅款簡章

第一條 民國三四兩年內國公債係以海關五十里外之常關及內地常關稅款一部分作為擔保茲為鞏固信用起見特委託總稅務司保管儲為還本基金之用

第二條 各常關稅款仍歸監督經徵在五十里外常關由監督按月將應解常稅交由本關稅務司轉解總稅務司保管其內地常關稅款得由總稅務司派員向關按月提取

第三條 總稅務司不得因保管常稅干涉各關行政事務

第四條 總稅務司所收稅款應每月報告財政部一次年終彙結除前項三四年公債應還本金劃清外所有盈餘之款解交財政部

第五條 三四年公債清還後此項稅款仍由監督直解財政部

第六條 本章程實行後所有五十里外及沿江海內地常關解交金庫辦法暫行停止（各關名稱另表開列）

第七條 各常關向例就地指撥之款以及邊遠常關所收稅款由財政部另行撥交總稅務司保管（各關數目另表開列）

第八條 本章程如有未盡事宜由財政部隨時修改之

常稅各關指撥數目表		燕湖常關	辰州關	打箭鑪
廈門常關		浙海常關		京師稅關附
江海常關	六、九六〇〇	山海常關	一四、三二七九	
荊州常關	三六〇〇	殺虎口稅關	三〇八一	
塞北稅關	二八、三三三〇	合計	五〇、二八九〇	

海關兼管五十里外各常關及內地常關與邊遠稅關名稱表

五十里外常關名稱			內地常關名稱		邊遠稅關名稱
山海常關			淮安關		贛關
東海常關			荊州關		張家口稅關
江海常關			揚由關		殺虎口稅關
甌海常關			新隄關		塞北稅關
閩海常關			武昌關		多倫稅關
粵海常關			太平關		潼關
潮海常關			鳳陽關		寶慶關
瓊海常關			臨清關		成都關
津海常關			夔關		漳州關

CIRCULAR No. 2782 (SECOND SERIES).

Chinese Government Short-term Bond Issue, 1918: Memorial of
Ministry of Finance, Presidential Mandate, and regulations.INSPECTORATE GENERAL OF CUSTOMS,
PEKING, 1st February 1918.

SIR,

1.—The Government has decided to avail itself of the funds that will be at its disposal, owing to the deferment of payment of the Boxer Indemnity, to restore the credit of the Bank of China and the Bank of Communications by repaying in part its overdraft on these two banks, and to issue for this purpose short-term Bonds to the amount of \$48,000,000, bearing interest at the rate of 6 per cent. and redeemable within five years.*

2.—As I have been appointed custodian of the funds accruing from the deferment of the Indemnity payments and shall sign the Bonds in my capacity as Inspector General of Customs, and as I have also been placed on the committee of management of the Bond issue, I enclose, for your information, a copy of the Memorial of the Ministry of Finance and of the President's Mandate in this connexion, with the regulations for the Bond issue in Chinese and English attached.

I am, etc.,

F. A. AGLEN,
Inspector General.

* This bond issue became known as the Seventh Year Short Term Loan, and had the proud distinction of being the first of China's internal loans of which every drawing was held precisely according to schedule. For details, *vide* "China's Customs Revenue since the Revolution of 1911" (3rd Edition), pp. 261-264.

ENCLOSURE No. 1.

呈 大總統文

呈爲指定延期賠款發行短期公債歸還中交兩行欠款謹陳辦法並錄章程仰祈

鈞鑒事竊查延期賠款一項業經協約各國於上年十二月分開始交還按照原約所定五年期限核計延交總數約共銀元六千餘萬元如此大宗款項自應妥籌適當用途俾財政經濟兩方均有裨益茲查中國銀行及交通銀行自前年停兌以來鈔價日跌市面動搖倘非極力整頓於國計民生大有妨礙究其原因實以政府積欠該兩行之款太多爲今之計急宜籌畫歸還俾兩行元氣稍復基金充足則金融活動鈔價自高惟前項延期賠款係按月分交每次所交淨數折合銀元不過百萬元左右而政府積欠該兩行款項則在八千萬元以上若以按期交付之賠款陸續撥還兩行冀以整理紙幣實屬緩不濟急再四思維惟有發行短期公債一項藉以救濟兩行金融公債總額定爲四千八百萬元全數發交中交兩行由其自行經募所募集之現款卽以歸還兩行墊欠各款至公債本息卽指定每月延期賠款一百萬元爲基金中以八十萬元還本以二十萬元付息並援照三四兩年公債辦法將此項公債基金按月撥交總稅務司安格聯存儲備付如此一轉移間在政府既可清理債務在銀行又可活動金融一舉而數善備業經本部擬具章

程提交國務會議議決在案此項公債雖歸兩行經募仍不可無發行機關綜持一切並擬設立公債局指派中國銀行正副總裁交通銀行總協理總稅務司暨本部部員二人組織之並推舉總稅司主管會計以上各節事關重大茲謹繕錄短期公債章程呈請

鈞覽如蒙

允准一俟奉到

指令卽由本部分別進行所有指定延期賠款發行短期公債歸還中交兩行欠款緣由是否有當理合呈請

大總統鈞鑒訓示施行謹呈

大總統

民國七年一月二十五日奉

大總統指令

呈並章程均悉准如所擬辦理此令

政府歸還中國交通兩銀行欠款短期公債章程

第一條 政府爲歸還中國交通兩銀行欠款及補助該兩行之整備金起見發行短期公債以四千八百萬元爲額定名曰民國七年發交國家銀行短期公債

第二條 此項公債利率定爲按年六釐

第三條 此項公債每年付息兩次上半年付息定爲六月三十日下半年付息定爲十二月三十一日

第四條 此項公債自民國七年一月起用抽籤法分五年償還每年抽籤兩次每次抽還總額十分之一即四百八十萬元至民國十一年十二月爲止全數償清

前項抽籤於每年六月十日及十二月十日在北京執行其抽籤辦法另以部令定之

第五條 此項公債還本付息由財政部指定每月延期賠款項下按照附表所列每年應付本息總額交由公債局轉交總稅務司存儲指定之銀行於還本付息到期之前一個月分交中國交通兩銀行備付

第六條 此項公債按照票面價格發售不折不扣

第七條 此項公債票面概不記名

第八條 此項公債票面定爲一萬元一千元兩種

第九條 此項公債之債票及息票得自償本付息到期之日起除海關稅外用以完納一切租稅及代其他種種現款之用

第十條 此項公債得爲銀行之保證準備金

第十一條 此項公債得隨意買賣抵押其他公務上須交納保證金時得作爲擔保品

第十二條 經理此項債票人員對於此項債票如有損毀信用之行爲依照妨害內債信用懲罰令分別懲罰

第十三條 此項公債章程自令准之日起施行

ENCLOSURE No. 2.

REGULATIONS FOR SHORT-TERM BONDS TO BE
ISSUED IN REIMBURSEMENT OF THE CHINESE
GOVERNMENT'S INDEBTEDNESS TO THE BANK
OF CHINA AND BANK OF COMMUNICATIONS.

Article 1.—The Government issues these Bonds for the purpose of reimbursing its indebtedness to the Bank of China and Bank of Communications and replenishing their reserves. The authorised amount of the issue shall be forty-eight million dollars (\$48,000,000). The issue shall be known as “The Chinese Government Short-term Bond Issue of 1918 to Government Banks.”

Article 2.—The rate of interest of this Bond issue shall be six per cent. (6%) per annum.

Article 3.—Interest on the Bonds shall be paid semi-annually, on 30th June and 31st December of each year.

Article 4.—The Bonds shall be repayable in five years, commencing from January 1918. Two drawings for repayment shall be held each year, and one-tenth of the total amount of the issue, namely, \$4,800,000, shall be drawn at each drawing. The Bonds shall be fully repaid in December 1922.

The above-mentioned drawings shall take place at Peking in the middle of June and December of each year. The procedure of the drawings shall be separately fixed and promulgated by a Ministerial Order.

Article 5.—The Ministry of Finance shall appropriate from the monthly deferred indemnity a sum sufficient for the annual loan service, which shall be received and held by the Inspector General of Customs, who will deposit it in a bank or banks to be designated by him.

One month prior to each due date for payment of interest or repayment of principal the funds for the service of the Bonds shall be held by the Inspector General of Customs at the disposal of the Bank of China and Bank of Communications for the purpose of meeting payments.

Article 6.—The Bonds shall be issued at par.

Article 7.—The Bonds shall be Bearer Bonds.

Article 8.—The Bonds shall be of two denominations, namely, of \$10,000 and \$1,000.

Article 9.—Drawn Bonds and coupons due may be used as cash in payment of Government taxes or duties (other than Maritime Customs duties).

Article 10.—The Bonds may be used as guaranty fund or fiduciary reserve of banks.

Article 11.—The Bonds may be bought, sold, mortgaged, or used as security in cases where a guaranty is required in the public service.

Article 12.—All officials and other persons concerned in transactions in respect to the Bonds who by any action injure the credit of the same shall be liable to punishment in accordance with the regulations relating to injury inflicted upon the credit of internal loans.

Article 13.—These Regulations shall come into force from the date of promulgation.

ENCLOSURE No. 3.

AMORTISATION TABLE OF THE CHINESE GOVERNMENT SHORT-TERM BOND ISSUE OF 1918 TO GOVERNMENT BANKS.

YEAR.	PRINCIPAL.	INTEREST.		REPAYMENT.		OUT- STANDING.
		June.	December.	June.	December.	
	\$	\$	\$	\$	\$	\$
1918.....	48,000,000	1,440,000	1,296,000	4,800,000	4,800,000	38,400,000
1919.....	38,400,000	1,152,000	1,008,000	4,800,000	4,800,000	28,800,000
1920.....	28,800,000	864,000	720,000	4,800,000	4,800,000	19,200,000
1921.....	19,200,000	576,000	432,000	4,800,000	4,800,000	9,600,000
1922.....	9,600,000	288,000	144,000	4,800,000	4,800,000	Nil.

SEMI-OFFICIAL CIRCULAR No. 27.

**Port correspondence with Superintendent: certain rules
regarding, to be observed.**

INSPECTORATE GENERAL OF CUSTOMS,
PEKING, 11th July 1918.

SIR,

I notice in port Chinese correspondence a tendency on the part of Commissioners to request Superintendents to move the Shui-wu Ch'u to take action in certain cases. There may no doubt be times when such action is desirable, but, as a general rule, requests of this kind, unless made under instructions from myself, are apt to be embarrassing to me. If the Shui-wu Ch'u merely refers to me for an opinion, no particular harm is done. But it may happen that I am instructed to take action of which I disapprove, or Boards may take hold prematurely of a case concerning which I am in correspondence with a Legation, and it is not seemly that this should happen apparently as the result of a Commissioner's prompting.

When I wish my hands to be strengthened by representations from a Superintendent, I instruct Commissioners accordingly, but, unless so instructed, it will be best in correspondence with Superintendents, concerning cases that require reference to higher authority, for Commissioners to confine themselves to stating their own views with the intimation that report has been made to the Inspector General, leaving the Superintendent to take the initiative in regard to his superiors.

I am, etc.,

F. A. AGLLEN,
Inspector General.

CIRCULAR No. 2837 (SECOND SERIES).

Towage under Chinese flag allowed on Yangtze and Siang
Rivers: instructions.

INSPECTORATE GENERAL OF CUSTOMS,

PEKING, 26th July 1918.

SIR,

1.—By Circular No. 530 of 1891 you were instructed that vessels not entitled to fly a foreign national flag were not to be towed on the Yangtze.* So long as it was only Chinese junks that were in question, this prohibition resulted in no discrimination between Chinese and foreign steamers towing; and when foreign-style lighters were introduced, so long as towing on the Yangtze was only an occasional incident, the exceptional case of a steamer wishing to tow a Chinese-owned boat could be met by the special permission provided for in the Circular under 4° (*d.*). At present, however, when the towage of foreign-style cargo-boats is very general, it is evident that the prohibition has become prejudicial to the interests of Chinese steamer owners.

* The instructions referred to, issued on the 8th January 1891, were as follows: "When the vessels to be towed are Chinese—that is, any vessel in Chinese waters not entitled to fly a foreign national flag—

- (a) They may be towed in any harbour and its adjacent waters by the registered steam-tugs of the port, subject to the exception to which attention is above called (1°), viz., so long as the authorities concerned have not issued any prohibition.
- (b) They may be towed from one port to another coastwise on application to the Customs for permission.
- (c) They are not to be towed on the Yangtze, and for this reason: Chinese junks moving about on the Yangtze, from Woosung up, are required to anchor, report, and pay dues, etc., at various Likin Stations and Customs Barriers, and towage by foreign steamers either makes it impossible for junks to comply with such rules or tempts them to defy them, thereby obstructing the properly authorised collection of dues, etc., by the taxing stations concerned, and lessening both willingness to obey law and, what is quite as important, readiness to enforce it.
- (d) To provide, however, for occasions on which permission to tow or be towed would be useful and not harmful,—when extraordinary circumstances warrant it, special permission may be issued, in communication with the Superintendent, to a given vessel to tow or to a given vessel to be towed, and in that case the permit is to state clearly either (1°) that the vessel towed is freed from observing the rules which similar non-towed vessels must observe between the places of departure and destination, or (2°) that the vessel towing is required to stop and wait with, or leave, the vessel towed at all such points between those places as similar non-towed vessels have to stop at, and, if remaining, for as long a period as the authorities at the point stopped at require the vessel towed to remain there."

2.—The question having been referred to the Government on the motion of the China Merchants Steam Navigation Company, it has now decided to remove the restriction and to allow towage under the Chinese flag on the Yangtze and Siang Rivers on the conditions laid down in the following regulation:—

All other relative rules and regulations having been duly complied with, Chinese-owned tow-boats and foreign-type cargo-boats plying under the Yangtze Regulations are permitted to tow and to be towed on the waterway from Ichang to Shanghai *via* the Yangtze and Whangpoo, and on the Siang River as far up as Changsha during the high-water period, upon the following conditions:—

- (a.) They shall be approved as fit for such traffic by the Customs authorities;
- (b.) They shall be specially registered by the Customs as “Registered Yangtze Tow-boats” or “Registered Yangtze Cargo-boats,” and their Customs Certificates of Registry shall be endorsed accordingly.

Should such vessels have occasion to change their status at an open port, they would automatically have permission to tow or to be towed on the authorised routes of the district.

N.B.—During the low-water period on the Siang River the special regulations governing traffic in that region must be complied with by all vessels towing or being towed.

3.—The instructions of Circular No. 530, Second Series, are hereby amended accordingly, and you will deal with any application from Chinese steamship companies to tow on the Yangtze or Siang River Chinese vessels of foreign type in accordance with the above rules, of which a Chinese version will be found in the copy of correspondence with the Shui-wu Ch’u enclosed. You will note that towage of junks by steamers trading under Yangtze Regulations remains prohibited except under special permission.

I am, etc.,

F. A. AGLEN,
Inspector General.

ENCLOSURE.

稅務處來函

逕啟者據輪船招商總局函稱招商漢局自備利源猶龍拖輪兩艘以爲載送貨件駛至長江上下游各口岸之用業經總局呈奉交通部批准註冊給照在案乃漢關稅司藉口稅務處定章華商公司不能與洋商一律辦理並謂華商拖輪僅能補助駁貨過轍大輪不能專拖貨件直抵口岸且宜沙各關章程亦不准華商拖帶貨船各等語查漢口以上宜昌沙市長沙各埠怡和太古及日商公司皆有輪艘拖帶貨船通行無阻招商各輪爲中國自有之航業豈應喧賓奪主而反不能利益同霑此爲誤解關章不煩言而可決已分別呈報核示聲明商局自備輪艘自與怡太及日商公司一律辦理不得泛引關章致滋誤會等情查漢口等處究竟有無洋商輪艘曾經專拖貨件直抵口岸情事致華商援以爲請其宜沙各關章程不准輪艘拖帶貨船是否華洋商一律辦理至漢口以上宜昌沙市長沙各埠據聞洋商既有輪艘拖帶貨船何獨不准華商照辦其中情節究屬如何相應函達

查照希卽查明見復爲盼順頌

日社 中華民國七年一月十四日

信字第五百四十九號

稅務處令

准交通部咨稱前據輪船招商總局呈稱漢局添置利源猶龍兩小輪專備拖貨駁運之用要求與洋商公司一律辦理請准照所請航線上至宜昌沙市長沙湘潭常德株州等處下至長江各埠以及上海爲止照章註冊分填執照以憑查驗等情當經本部准予通融註冊給照令發該局承領在案茲據呈稱奉令遵卽祇領寄由漢局赴關驗明呈領船牌分發該兩小輪管船員妥爲收存去後茲據函稱據漢關稅務司云必須由部轉行總稅務司轉飭遵照又云稅務處定章華商公司不能與洋商一律辦理華商拖輪僅能補助駁貨過儼大輪不能專拖貨件直抵各口岸且宜沙各關章程亦不准華商拖帶貨船等語查漢口以上宜昌沙市長沙各埠怡和太古及日商公司皆有輪艘拖帶貨船通行無阻招商各輪爲中國自有之航業設竟不能利益同霑殊未得事理之平縱使原定關章限制華商小輪不得拖帶貨船亦指普通華商而言何得施之與怡太鼎立之招商局現聞漢關監督暨稅司已分別呈報稅務處及總稅司核示應請迅速呈部轉咨核辦等因商局復查此案於初次呈內卽經聲明應與怡太日清等洋商公司一律今漢關稅務司藉口關章有意兩歧應請轉咨稅務處卽飭總稅務司行令漢關稅司及長江上下游各口岸稅司暨各關監督一體知照聲明商局自備輪艘應准其拖帶貨船與怡太及日商公司一律辦理不

得泛引關章致滋誤會等語到部查該局爲我國最大航業且與怡和太古訂立合同在營業上有特殊之關係此次所置拖駁小輪倘未能與洋商公司一律辦理殊於該局商業不無影響應咨請貴處令行總稅務司轉飭各該關稅務司對於該局小輪予以便利希即查照辦理見復等因前來查此案本處前據該總局來函當經於本月十四日函知在案茲准交通部咨稱前因相應令行總稅務司查照前函從速查明併案呈復以憑核辦此令

中華民國七年一月二十六日

第一五二號

總稅務司呈復 稅務處

呈爲查明江漢關不允招商局輪船拖帶貨船一案情形並擬將現行辦法酌予弛禁擬具章程復請

鑒核示遵事案奉第一五二號

令以全抄等因奉此當即令行江漢關稅務司詢以拖帶船隻一事對於華洋商輪是否有所歧視如係祇禁華船拖帶其中情節如何並此後若准按照長江通商章程在長江往來貿易之華船拖帶船隻有無關碍之處等語令行詳細聲復去後現據呈復到署總稅務司查華洋商輪在長江按照長江通商章程行駛所有被關歧視之點不在拖船爲華船洋船之分乃視被拖之船爲中爲外而異蓋中國民船在長江行駛所過常關釐卡應行完納釐稅若

准其附輪拖帶易於闖越關卡故往時卽有華商船隻不得在長江被拖之規定前項規定對於外國輪船公司原無何等束縛因其所拖者概爲自有准挂洋旗之洋式駁船而現在招商局擬拖之船則爲華商駁船卽對於前項規定不無關係江漢關爲遵守舊規起見故不得不分別辦理並非於華商故爲歧視也竊思從前規定此項辦法之際駁船附輪拖帶尙屬僅見之事其意旨雖概括不准拖帶華船其實所禁止者不過中國民船而已現在拖帶駁船既爲常有事業且按照內港行輪章程無論爲各式華船或爲洋船類皆准其附輪拖帶在總稅務司以爲除民船仍應遵守舊規無論華洋輪船按照長江章程行駛不准拖帶外其餘華商駁船似可准予弛禁任其被拖通行蓋凡按照長江通商章程在長江貿易之華洋各輪若准一律拖帶洋式船隻在通商口岸行駛卽爲予以貿易上之便利且於關務亦無何等之窒礙也總稅務司前項意見江漢關稅務司亦表同意并據擬訂長江拖帶章程隨文附送前來查該章程擬訂各節尙屬妥適理合將原呈及所附章程抄錄一分呈請

鈞處鑒閱如蒙

核准卽乞示復以便通令各關遵照可也謹呈 中華民國七年四月五日

爲詳復事案奉第二九〇六號

令飭將招商局請用小輪二艘在長江及湘江作爲拖輪並請照洋商船隻拖帶辦法一律辦理一案再行詳細呈復等因奉此竊以此案所宜首先聲明者卽歧視華輪公司一節稅務司素不謂然且極願華輪公司享受自由獲得優待種種利益至少亦與洋商相等故於此案呈請核辦之意並非有所反對其所以爲難者蓋欲指明現行章程對於華輪顯有歧視之障礙須免除也查通令第五百三十號對於請准拖船或被拖一節規定大綱俾各關稅務司奉爲準則其中並未載有未經奉准卽可拖船或被拖之明文倘華商欲有踰越範圍之行動應由該管官署核辦此人人所可知者也按照前項通令第一節第三段於洋商船隻欲拖船或被拖來關請領准單則海關不能拒絕其意旨在通令第二節似已證實故稅務司聞見所及並無拒絕之案且以爲果其拒絕卽屬昧於事理至洋商輪船拖帶洋商船隻有何規定或法律爲海關可憑以不准或處置者則稅務司於條約上或同治元年及光緒二十四年長江通商章程上皆無案可據只須其遵守定章卽無何等條件可禁止洋商船隻在長江拖帶此外則拖帶之事以稅務司觀之只爲行輪之變象其性質屬於船隻與管理船隻之一部分而不屬於管理水道之事非中國將國際協約訂明條款不能涉及水道據稅務司之所知現尙無此等管理之條款也若華商船隻則情形各

別中國國家之待本國人民相其機宜自可隨事立法在光緒十六年頒發前項通令之時大約華商尙無拖輪且通令第四段丙款對於華商船隻有不得在長江被拖之文係指民船而言毫無疑義但此項禁令仍係渾括對於華船而言第四段丁款則顯有一條以彌補之曰如有特別必要情形則可發特別准單云云此事業經照辦矣查交通部據招商局稟其大旨在欲得洋商拖帶之利益稅務司欲證實該局漢口經理上年十二月三十一日當面解釋之言因於上月二十二日令其派一代表來關將其宗旨復行討論該代表已明言該局因欲免除遲延及多費手續故欲不在監督署請特別准單

因此單須納費欲該局之船隻有通行單照准其拖帶作爲平常辦法不作特別辦法俾免糜費及遲延之虞而交通部令准該局二小輪拖帶駁船前往十五處則於其地已否開放並不分別其區域亦不思及長江通商章程或內港行輪章程中所必要之辦法而長江拖帶事在釐稅局卡勢力之下常有窒礙拖帶之進步頗爲所阻故以各種情形而論並由通令五百三十號章程譯之該局所請之事似漸成一最要問題稅務司以爲理應將此問題在辦理之先呈請

核辦至於該兩輪按照內港行輪章程拖帶如何方能照准則稅務司意見只須遵守兩項根本條件一則水道務由中國大府核准二則此項船隻務在沿途釐稅局卡停驗前一項在漢口海關境內之水道尙未核准運貨長江

何處已經核准稅務司亦不之知後一項則該局專以免其船隻在各局卡停驗爲請求最大目的之一意在得此利便也茲奉

飭復謹條列如下
一利源註冊噸位二十四噸百分之二十五猶龍六噸百分之九十七二該局代表會報明欲照江照輪船行駛拖帶洋式駁船於淺水月分專往漢口上游湘江各處並於須要時常年均可以此二輪行駛三於淺水月分依照河道情形按班常川開行四本口辦法凡洋商噸位相同之輪船欲如何行駛請由本關發給准單此項辦法久已如此而稅務司之意此等准單於法律未便拒絕查湘江在淺水月分華商小輪公司先由監督特發拖照再由稅務司核准拖帶洋式駁船到湘省各口除有特別必要情形始准在長江行駛外並不全在長江五待遇洋商船隻不同之處即准其或挂帆或用機力行駛或拖船或被拖但須與非拖帶之同式船隻一律遵守其義務上之章程即可照准隨其所欲而華輪則照以上所言辦法辦理六至於准招商局或其他華輪公司按江照章程在長江各口拖帶洋式駁船只須該船於駁帶之事曾經特別註冊則稅務司並不見有可以反對之處謹擬簡明章程可作通令第五百三十號章程之解釋與該章程亦不抵觸附開於後詳復

察核謹詳

附擬長江拖帶章程

華商拖輪及洋式駁船但遵守有關係之各項規則及章程即可准在宜昌至上海經由長江至黃浦江之水道並於大水月分在湘江至長沙爲止按照下列條件拖船或被拖

甲 此項船隻應由海關核察與此項貿易合宜始可照准

乙 此項船隻應在海關特別註冊作爲已註冊之長江拖輪或已註冊之長江駁船並在海關所發註冊憑單內批明

此項船隻如在通商口岸欲改行內地者凡在海關境內已經核准之水道均可准其拖船或被拖

注意 在湘江低水月分所有拖船或被拖之船務須遵照管理該處貿易之專章

隨洪字第七二號

稅務處令

案查輪船招商總局添置利源猶龍兩小輪請准拖帶駁船一事前據總稅務司將令由江漢關稅務司查復各節照錄原呈暨所擬長江拖帶章程呈送前來並據聲稱該稅務司所擬章程尙屬妥適如蒙核准乞示復以便通令各關遵照等語本處復加查核當以此案有兩項問題應先解決一爲行駛水道應由地方官核准二爲船隻所經

沿途釐稅局卡應否停驗今該局所置兩小輪請准予拖帶駁船前往之區共有十五處是否已由該局呈經各該處地方官核准至船隻沿途釐稅局卡應否停驗一層似亦宜由部先與財政部商妥以免窒礙等因並抄件咨行交通部查照核辦去後旋准咨以江漢關稅務司原呈內開通令第五百三十號一節本部無案可稽請將光緒十六年通令第五百三十號抄錄一分送部等因復經本處照錄前項通令一分咨送在案茲復准咨稱此案據該局復稱遵即轉行漢局查復據稱利源猶龍兩小輪所拖者係挂本局旗號之洋式木駁行駛地點亦均設有洋關毋須向內河關卡地方官核准商局與怡和太古聯合爲三公司所有大小航輪理合一律對待况商局爲中國維一之航業更應格外維持以資振興應請據情呈復等語呈請察核到部查此案既據該局聲明該兩小輪所拖之船均係洋式木駁又行駛地點亦皆設有海關似可准照該局前呈辦理以便航業應咨請查照令行總稅務司分飭遵照辦理並見復等因到處查此案既准交通部咨據該局復稱利源猶龍兩小輪拖行地點均設有洋關毋須向內河關卡地方官核准所有該兩小輪行駛各該處應即准其拖帶以便航業相應令行總稅務司分飭各該關稅務司遵照辦理並即呈復本處以憑轉復可也此令

中華民國七年六月五日

總稅務司呈復 稅務處

呈爲詳核招商局利源猶龍兩小輪奉准拖帶駁船一案情形復請

鈞鑒事竊查此案奉到第一〇〇七號

令以全抄等因奉此總稅務司理應遵辦惟詳閱

令文之內係只准招商局利源猶龍兩小輪拖帶駁船雖此項問題係由招商局爲利源猶龍兩小輪提議而起然亦只言該兩小輪准予拖帶若嗣後該局另添他項小輪擬行照辦或再有另設之中國輪船公司亦欲援案辦理均不在

令文規定之中竊以爲此事現既查無何等窒礙准予施行以便航業似不宜只限於該兩小輪照此辦理莫如概准該公司之他項小輪或他項中國輪船公司亦均可一律照辦以一航政至江漢關稅務司所擬之章程其意原以可爲普通之定章凡中國各輪船公司均能適用是否有當理合備文呈請鑒核示復以便轉令遵行可也謹呈

中華民國七年六月二十五日

洪字第一三三號

稅務處令

案查輪船招商總局添置利源猶龍兩小輪請准拖帶駁船一案前經交通部核准咨行到處當經令據總稅務司

呈稱詳閱令文內只准招商局利源猶龍兩小輪拖帶駁船莫如概准該公司之他項小輪或他項中國輪船公司亦可一律照辦以一航政至江漢關所擬章程其意可爲普通之定章凡中國各輪船公司均能適用呈請鑒核示復等情當以小輪拖帶駁船擬議一律照准係爲便利航業起見本處甚以爲然至漢關稅司所擬長江拖帶章程究竟是否適用等因併咨交通部酌核去後茲准交通部咨開查該局利源猶龍兩小輪拖帶駁船既經准予施行自不必專以該兩小輪爲限嗣後該局另添他項小輪或他項中國輪船公司亦欲援案辦理當然一律照准以資便利至江漢關稅務司所擬章程前准咨送該稅務司致總稅務司呈文內稱此項章程可作通令第五百三十號章程之解釋與該章程亦不抵觸等語本部復加查核尙無不適用之處應咨請查照令行總稅務司轉飭遵照仍希見復等因前來查小輪拖帶駁船既經交通部核准嗣後招商局添購他項小輪或中國他項輪船公司自可一律照辦至江漢關稅務司所擬章程亦經交通部核明適用除令行江漢關監督遵照外相應令行總稅務司轉飭江漢關稅務司遵照辦理此令 中華民國七年七月十七日

SEMI-OFFICIAL CIRCULAR No. 28.

Staff requirements: comparative return of foreign and Chinese staff required in the Revenue Department called for.

INSPECTORATE GENERAL OF CUSTOMS,
PEKING, 12th December 1918.

SIR,

Redistribution and, to some extent, reorganisation of Staff have been forced upon the Service by the war, which has caused the withdrawal of many foreign employés from all its Departments and has necessitated the employment of Chinese in large numbers and in more responsible positions. Even before the war this necessity was realised (cf. Circular No. 1419 of 1907), and since then our ranks have been supplemented with Chinese Assistants and Tidewaiters. The war has emphasised this necessity, and the work of the ports has now been carried on for four years by staffs in which Chinese Assistants and Chinese Tidewaiters have performed much of the work hitherto entrusted to foreigners. Its termination is a fitting time for inquiry into the results of this experiment, to ascertain how far responsible work can be left to Chinese employés, and in what numbers henceforth foreigners and Chinese respectively are required.

In order that I may have a concrete expression of opinion on this important question I now enclose a *pro forma** of a return which I have to request you to fill in with the greatest attention. This return is to be numerical and limited to Maritime Customs employés (names not required), but is to include in their number those employés who are detailed for work in Native Customs establishments, a note being added to show the number in each rank so required for Native Customs work. It is to be made out on a double sheet of foolscap written on one side of the paper only and forwarded (in triplicate) to the Chief Secretary, docketed, but without covering despatch. The headings, which are confined to half the sheet, are self-explanatory; but the other half of the sheet, left for remarks, should be utilised for necessary explanations and brief comments on particular features. Foremost among these will be the proportion of foreigners and Chinese required in the Assistants and Tidewaiters classes, but local peculiarities—such as need for men of certain nationalities, or certain linguistic acquirements, in certain positions,

* Not printed.

number of Examiners required at private wharves whose services are paid for by the companies, effects on the staff of diminution or increase in the work of the port, etc.—should also be touched upon.

The object of this return is to supply data from which port requirements can be gauged (*vide* Circular No. 1864, § 8), and it is hoped that Commissioners will view the question from a severely practical and economical standpoint and be careful to indicate the least number of men, and particularly the least number of foreigners, with which the work of their ports can be carried on efficiently.

While the best endeavours will be made to meet the requirements of all ports as far as *personnel* admits, it is necessary to bear in mind the relative value of each port as a revenue-collecting centre; we must endeavour to concentrate our strength where interests and collection are greatest, while small and relatively unimportant places must not expect to have a larger staff than their necessities strictly require.

I am, etc.,

CECIL A. V. BOWRA,
Officiating Inspector General, ad interim.

CIRCULAR No. 2842 (SECOND SERIES).

Upper Yangtze Navigation Regulations: approved by Chinese Government and foreign Ministers: regulations notified.

INSPECTORATE GENERAL OF CUSTOMS,
PEKING, 13th August 1918.

SIR,

I enclose a copy of some regulations which have been drawn up in English and Chinese to provide for the mutual safety of junks and steam vessels navigating the Upper Yangtze between Ichang and Chungking, and which have been approved by the Chinese Government and by the foreign Ministers.

The necessity for regulations made itself felt many years ago, and in 1910 some Upper Yangtze Collision Rules were drawn up by the local authorities and approved by the Wai-wu Pu. As, however, these rules had not been sanctioned by the Diplomatic Body they were inoperative as regards foreign vessels, and they also contained clauses which made them impracticable in respect to native craft. They therefore never came into force.

In 1914 I was requested by the Shui-wu Ch'u to make arrangements to have the Ichang-Chungking route surveyed and to suggest improvements for navigation on this difficult stretch of river. The question had, of course, not escaped the attention of the Marine Department, and though at the moment it was not possible to do anything, much useful information had been collected.

In 1915, having secured the valuable services of Captain Plant* as Upper River Inspector, I found myself in a position to make certain definite proposals, and I outlined a scheme which I recommended should be progressively taken in hand. In my despatch No. 49 of 1915, which you will find heading the Chinese correspondence enclosed in this Circular, I suggested—

- (1.) The establishment of signal-stations at rapids;
- (2.) The establishment of aids to navigation, such as buoys, beacons, and water-marks;
- (3.) The erection of windlasses for assisting steamers and junks through the rapids; and
- (4.) The removal of dangers to navigation by conservancy works under competent engineers.

* Samuel Cornell Plant was born on the 8th August 1866 at Framlingham in Suffolk. Plant's early life at sea was spent in sailing ships, and in time he drifted to Mesopotamia, where at an early age he had command of a small paddle steamer running on the Euphrates. It was here that he made his first study of the navigation of rapids and difficult rivers. Early in 1900 he met the late Mr. Achibald Little (*antea*, vol. i, p. 647) in London, who induced him to come to China to take command of the paddle steamer *Pioneer*, which had just been built for the Ichang-Chungking run. In June that year, under Plant's command, the *Pioneer* made her maiden trip from Ichang to Chungking successfully in seven days. The Boxer uprising intervened and the *Pioneer* was taken over by the British naval authorities and converted into the gunboat *Kinsha*. Plant, however, remained in China, building a Chinese-style house-boat with which, from 1901 to 1908, he traded successfully between Ichang and Chungking, all the time studying for himself the difficulties and dangers of that section of the Yangtze. With his knowledge and experience behind him he eventually persuaded the Chinese merchants and officials in Chengtu to attempt seriously the navigation of the Upper Yangtze by steam, and under his guidance the steamer *Shutung* was built in 1908 for the Szechuan Navigation Co., Ltd. The experience gained in the navigating of this steamer was invaluable, and, when profits began to show, the owners had a second steamer, the *Shuhun*, built by Yarrow's, which began its career in 1914, also under Plant's charge. By now it was clear that, thanks to Plant's energy, determination, skill as a navigator, and tactfulness as a negotiator, the problem of steam navigation on the Upper Yangtze was to a large extent solved. To secure Plant's unique knowledge and experience for the benefit of all future navigators, he was offered the post of River Inspector on the Upper Yangtze, a post which he accepted from the 1st April 1915. Plant embodied the result of his many years' experience and unique knowledge of the Upper Yangtze in his well-known "Handbook for the Guidance of Shipmasters on the Ichang-Chungking Section of the Yangtze River," the first edition of which appeared in 1916. Early in February 1921 he proceeded on home leave, but died at sea on the 26th of that month. To Plant belongs the credit of having done more than any other man to make safe for steam navigation the dangerous upper reaches of the Yangtze. A lofty stone column at the Hsintan Rapid, where for many years he had his home, helps to perpetuate his memory. Plant held the Order of the Chia Ho, 5th and 4th Classes.

I further drew attention to the urgent need for traffic regulations and intimated that the drawing up of these in consultation with the Coast Inspector would be the first duty of the newly appointed Upper River Inspector.

The first two items on the programme have been attended to and an attempt at rock removal by blasting under the direction of an independent conservancy authority appointed by the Ministry of War, against which I protested at the time, has been made. The regulations now sanctioned were first submitted by me in 1915 and were in due course, after certain amendments had been made, approved by the Chinese authorities in 1917. Reference to the Diplomatic Body, who desired some amendment, and the inclusion of explanatory notes caused further delay. The correspondence on this subject will be found in the last four documents of the Enclosure.

I am, etc.,

F. A. AGLEN,
Inspector General.

ENCLOSURE No. 1.

程 章 碰 免 船 行 江 川

UPPER YANGTZE NAVIGATION REGULATIONS.

於 開 各 所 危 駛 去 此 船 及 輪 川 專 章 下
 下 列 條 有 險 之 行 免 彼 民 船 江 爲 程 列

The object of the Regulations is to provide for the mutual safety of junks and steamers navigating the Upper Yangtze.

Signal-stations. 條 各 處 號 信 杆 標 於 關

由 巡 江 工 司 隨 時 宣 告 設 立	以 後 如 有 加 增 或 移 動 標 杆 信 號 之 處	洞 巫 石 鐵 灘 夔 州 府 狐 灘	地 點 如 廟 河 洩 灘 巴 東 青 石	過 標 杆 其 尋 常 險 灘 所 設 標 杆 信 號 之	到 之 信 號 上 水 輪 船 不 得 於 此 時 間 經	以 上 各 處 遇 有 標 杆 懸 掛 下 水 輪 船 將	洋 子 新 龍 灘 折 尾 子 抬 盤 子	者 如 新 灘 火 焰 石 寶 子 灘 東	上 下 段 即 本 章 第 十 條 所 謂 現 已 通 告	第 一 條 標 杆 信 號 處 已 設 在 川 江 危 險 地
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1.—Signal-stations have been established at the upper and lower ends of dangerous places on the river as follows:—

Miao-ho (廟 河).

Hsin-t'an (新 灘).

Hsieh-t'an (洩 灘).

Pa-tung (巴 東).

Huo-yen-shih (火 焰 石).

Ch'ing-shih-tung (青 石 洞).

Wu-shih (巫 石).

Pao-tzŭ-t'an (寶 子 灘).

T'ieh-t'an (鐵 灘).

K'uei-chou-fu (夔州府).

Tung-yang-tzŭ (東洋子).

Hsin-lung-t'an (新龍灘).

Hu-t'an (狐灘).

Chê-wei-tzŭ (折尾子).

T'ai-p'an-tzŭ (抬盤子).

The stations printed in heavy type are those at which, under Article 10, the up-bound steamer is to wait until the down-bound steamer passes.

The establishment of additional stations or changes made in position will from time to time be notified by the River Inspector.

下 者 者 者 掛 者	別 如 掛 掛 懸 掛 而 懸	樣 分 懸 懸 處 而 輪 船	號 式 而 到 信 號 通 知	之 信 將 將 下 段 行 駛	懸 掛 船 輪 船 已 過 口 內	處 所 輪 水 輪 船 在 漕	信 號 水 上 輪 船 民 船	標 杆 下 爲 上 水 此 爲	下 段 爲 此 丙 丁	地 上 甲 乙 丙 丁	危 險	川 江	第 二 條
											▼		
											▲		
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2.—The stations, both upper and lower, will make signals as follows:—

▼ When a down-bound steamer is coming.

▲ When an up-bound steamer is coming.

▲ When an up-bound steamer has passed a lower signal-station.

● A steamer is warned that there are junks in the channel.

Rules for Junks. 條各船民於關

開 行	收 落 時	候 信 號	避 讓 須	靠 之 處	就 近 可	刻 尋 覓	之 時 立	號 懸 掛	將 到 信	當 輪 船	水 民 船	第 三 條 下

3.—When a signal is hoisted showing that a steamer is coming, down-bound junks shall immediately make for the nearest mooring-place and wait there until the signal has been hauled down.

第四條民船如
在危險地或
將近危險地
該地未設信
號處望見輪
船行駛及聞
其聲響即覓
就近可靠之
處避讓須俟
輪船過後再
駛設使民船
勢難即覓就
近可靠之處
避讓必須照
第五條辦理

4.—In or near dangerous places which are not guarded by signal-stations, a junk shall, if possible, when a steamer is seen or heard to be approaching, make for the nearest mooring-place and wait there until the steamer has passed. If to do so is impossible, the junk shall act in accordance with Rule 5.

第五條凡下水
民船遇輪船
在後趕上時
或遇輪船上
駛時一時不
能即覓就近
可靠之處須
儘讓寬闊地
位與輪船駛
過並將靠輪
船一邊之槳
即速收攏至
隨帶之小船
須挨近本船
一邊行駛

5.—In general, down-bound junks meeting or being overtaken by a steamer should give the steamer as much room as possible; if fitted with side sweeps, those on the side towards the steamer should be swung alongside; a junk sampan-tender should when passing a steamer be kept close to the junk.

第六條
民船
不准
在輪
船頭
前橫
駛爭
過以
免碰
撞之
虞

6.—Junks are forbidden to cross the bows of a steamer in such manner as to involve risk of collision.

第七條川江各
灘內有數處
凡下水輪船
過灘致生上
水民船在灘
拉繆之危險
可由巡江工
司出示如在
此等處遇有
輪船下水嚴
禁民船上駛
俟該輪過灘
後方准拉繆
開行

7.—At certain rapids, when a steamer is proceeding down, the upward tracking of junks is dangerous. At such places the River Inspector is authorised, by local notice, to prohibit junks from tracking up until a steamer has passed.

Rules for Steamers. 條各船輪於關

駛程碰海國照須條定下除輪
行章避航萬遼外專所以船

第八條

8.—Steamers are bound by the “International Regulations for Preventing Collisions at Sea,” except in so far as these are modified by the following special rules.

下之放輪會之放立方漕其水遇水
法汽船上海法汽刻面口駛輪見輪
列號其水知號用應何往船上船

第九條下

9.—The down-bound steamer has the right and duty when meeting an up-bound steamer of deciding which side of the channel she shall take, and she shall indicate that decision by means of the following whistle signals:—

邊口往船明係一水汽放
右漕駛本表聲號短

One short blast means: “I am keeping to that side of the channel which lies on my starboard hand.”

邊口往船明係二水汽放
左漕駛本表聲號短

Two short blasts mean: “I am keeping to that side of the channel which lies on my port hand.”

行遼回放如隨號放輪下應輪上
駛照答汽法卽後汽船水於船水

The up-bound steamers shall repeat the signal made by the down-bound steamers and act in accordance with it.

杆間得水之輪懸該者業各船勢流面
經過於輪信船掛處如經處齊危激狹
標時不號將下水標遇通告現在之險急窄
江

第十條在江

10.—At rapid and narrow channels through which it is dangerous for steamers to pass simultaneously, and which are notified as such, an up-bound steamer shall not pass a signal-station when it indicates that a down-bound steamer is coming.

第十一條 上水輪船如將到危險地並未設立信號處遇見下水輪船或聞其聲響應即緩駛或在險處下面暫停候下水輪船駛過再行開輪其在等候下水輪船時放長汽號三聲以表明來船速來本船在此等候來船駛過之意

11.—When approaching a dangerous place which is not guarded by signal-stations, an up-bound steamer shall, when sighting or hearing a down-bound steamer, slow down or remain stationary below it until the down-bound steamer has passed. While so waiting she shall give three long blasts on her whistle to indicate "Come on, I am waiting for you to pass."

第十二條 凡輪船於兩輪船不能並駕之處不得先駛致生危險

12.—A steamer shall not overtake and pass another steamer in places where doing so involves danger.

第十三條 凡輪船於水道曲折之處他船不能見及應放最長汽號一聲以示警戒並緩繞過

13.—When a steamer approaches a bend from which her approach cannot be seen, she shall give warning by a prolonged blast on her whistle and shall round the bend at the slowest speed practicable.

第十四條 第五節 六兩條 凡民船亦應避讓民船如民船有未遵第五第六兩條致生碰撞情事而該輪船未按照萬國航海避碰章程第二十三條及該章程內其他關於此等情形之規定辦理輪船亦不能卸責

14.—A disregard of Rules 5 and 6 by a junk would not by itself exonerate a steamer from responsibility for a collision in a case where the steamer disregarded the provision of Article 23 and other operative articles of the International Regulations.

第十五條 船見民望 駛船行 前在必 須緩 輪駛 過以 免波 浪翻 騰妨 害民

15.—When a steamer is passing a junk, she shall cause the least possible danger from her wash by proceeding as slowly as possible or as necessary to that end.

第十六條 船如輪 遇民 船失 吉之 時必 須極 力救 濟

16.—In case of an accident to a junk a steamer shall render all possible assistance in saving life.

Infringement of Regulations. 條各章違於關

第十七條 民船與輪 船有違章 等事巡江 工司將違 章情形詳 報宜昌重 慶兩關稅 務司轉咨 該管官員 懲辦其關 於生命財 產應行賠 償各節即 按普通法 律辦理

17.—If a steamer or a junk fails to comply with these Regulations, the River Inspector will report the case to the Chungking or Ichang Commissioner, who will pass on the report to the proper authorities for the determination of a penalty. All questions concerning indemnification for loss of life or property shall be decided in accordance with the general laws.

第十八條 凡民船及輪 船有違故如 章等違者 事以 科罰 輪罰 最罰銀 至多 民罰銀 最罰銀 百至 兩一

18.—The penalty for wilful infringement of these Regulations is a fine not exceeding *Tls.* 100 for a junk and *Tls.* 500 for a steamer.

第十九條 凡船隻 有被告 違章等 事者宜 昌重慶 兩關稅 務司先 著船隻 出罰 款保 其罰 不得 最高 數俟 結案 後將 還

19.—The Commissioners of Customs at Chungking and Ichang are authorised to require vessels which have been reported for a breach of the Regulations to supply a bond for a sum not exceeding the maximum fine, which bond would be returned on a settlement of the case.

後於列彙法之號汽放種各船輪條十二第

20.—*Summary of Steamer Signals.*

駛行邊右口漕向船本明表係聲一號汽短放

One short blast means: "I am keeping to that side of the channel which lies on my starboard hand."

駛行邊左口漕向船本明表係聲二號汽短放

Two short blasts mean: "I am keeping to that side of the channel which lies on my port hand."

退快輪倒船本明表係聲三號汽短放

Three short blasts mean: "My engines are going full speed astern."

過船候此船來船明係三汽放
駛來等在本速來表聲號長

Three long blasts mean: "Come on, I am waiting for you to pass."

心留船他令以駛開在正船本明表係聲一號汽長最放

One prolonged blast means: "Caution! I am proceeding."

之停可相就解即之可就所條第
處船用宜近爲應處靠近指內三

注

N.B. 1.—In Rule 3 by the phrase "nearest mooring-place" is to be understood "the nearest practicable and proper mooring-place."

處中上危明內第峽川係之能兩內十
間下險川所一條以江指處並輪所二
之段地江列條及灘明即駕不謂條

注

N.B. 2.—In Rule 12 the expression "places where doing so involves danger" is understood as referring to the rapids and gorges and to the stretches between the upper and lower ends of dangerous places, as defined in Rule 1.

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N.B. 3.—In regard to Sections 17 and 19 it is understood that in the case of vessels owned by a foreign individual or firm measures for the enforcement of these Regulations will be taken only through the respective Consuls in accordance with the treaties.

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The above Regulations are provisional and subject to alteration as required.

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ENCLOSURE No. 2.

總稅務司詳復 稅務處

詳爲往來宜渝航路現已分別緩急開始經營事案奉利字第八六五號

飭以查宜渝一帶水道灘石繁多往來船隻載運貨物險阻時虞其影響於商務者甚大前以該處水道宜加整頓祇以工費浩繁一時難於措手現聞此項水道如將沿途之灘隘四處炸去其中灘石俾水最淺時約有四尺則與船行無礙似此需費尙非過鉅自當妥爲籌辦以便交通應卽特派總稅務司詳細調查酌擬辦法並開具圖說詳送本處以憑核辦所需工費前經面商總稅務司在於海關四項餘款內先行墊撥與辦總稅務司深以爲然一俟測勘完畢議定辦法當咨行外交部商明各國公使援照江海津海等關抽收河工碼頭各捐成例酌量收捐卽可陸續歸墊并繳還利息庶關款不慮無着商運既可暢行無阻稅收亦將日起有功相應飭知總稅務司遵照辦理等因奉此

總稅務司查去歲下半年因往來宜渝輪船增多之故所有防護碰撞問題關係緊要業於未奉此次

飭文之前詳細參酌辦法檢閱接管卷內前清宣統元年有蜀通輪船重行開辦往來宜渝之航業當時防護碰撞問題已由湖北四川大憲提議辦理其所擬之章經前

外務部郵傳

部核准後曾於宣統二年四月初九日

由

鈞處遞到一千三百四號劄文飭令總稅務司轉行宜渝兩關稅務司遵辦惟因該章未由外交團承認又因華商輪船公司反對稟請取銷致使此項章程經始即成具文詳審其不合情勢未得承認遵辦之理由約有三端一係章內未經聲明如不遵守此章應由某機關取締一係如欲遵守該章第一要務應在各險灘設立標杆信號處惟章內聲明此項處所應由輪船局自行設立管理而輪船局迄未設立自屬無從遵辦一係章內曾有數條聲明如遇有互相碰撞等事訂定賠償辦法因備賠償起見復訂定各輪船局應於

重慶關道庫
宜昌關道庫

分儲鉅款但此章既未由外交

團承認如有洋商設立輪船局自不能強令照存而華商輪局亦不欲將其有用之成本置於動轉不能自由之地竊以爲此即使人反對該章之第一理由也惟爲防止輪船免碰民船起見此項標杆信號處暨免碰應需之章程實爲萬不可少之事是以總稅務司於去歲下半年不容不再行提及彼時曾飭副巡工司米勒親往重慶與新輪船蜀亨之主人蒲藍田者會商因該船主於宜渝水道之險阻暨保護航業因而必需之各物經驗豐富無與比倫並經飭令該副巡工司於就商後隨即報告總稅務司現在該員業將會商擬辦各情繕具報告書賁呈前來茲由總稅務司按照所陳各節分別緩急次序列後一在各險灘之上下游設立標杆信號處該標杆上應設橫木一條以便隨時隨事懸挂各項信號指示現有輪船或上或下各情形復應於各該處另備汽螺響號俾得警告各船注意

信號此項標杆信號處應歸於海關管理二應設立浮椿燈椿以助航行之便利並應於某某等處設立量水表三在各險灘之沿邊又應設立大力攪輪以便拖拉各船上灘四應消滅妨阻行船各障礙物如轟炸水中矗立之山石暨斜穿水道之橫石或暗礁以上一二兩項均爲海關應辦之事且按照辛丑馬凱條約第五條亦載明其標示記號之臺塔及指示水槽之標記由海關酌度何時何地相宜備設云云至於第三項按照馬凱條約第五條於整頓宜渝水道一事載有未能整頓以前應准輪船業主聽候海關核准後自行出資安設拖拉過灘利便之件其所安設利便之件無論民船輪船均可任便聽用仍須遵照海關議定章程辦理但所設之件不得阻礙水道或阻礙民船暢行等語按總稅務司之意以爲此時尚可緩辦待至航業中人復行要求再爲舉辦現可先行考查其情形其第四項爲

鈞處利字第八百六十五號飭文內提議之件現總稅務司甫接船主蒲藍田函請願在海關奉差業即乘機允行派爲長江上游之巡江工司擬飭立即安設標杆信號處商同巡工司議擬免碰章程俟擬妥後轉呈

核奪並擬飭令勘量各灘繪圖貼說呈閱惟各灘中設須轟炸障礙之山石其關於航綫之情形或出有意外之結

果亦屬難以預料之事總之此等工程需費浩大非先詢及最爲幹練之工程司未便遽議興作也奉到前因理合

備文復請

鈞處鑒核可也謹詳 中華民國四年二月十八日

元字第四九號

總稅務司呈復 稅務處

呈爲送呈川江行船免碰章程並特備具節略附請轉行外交團允認施行事案奉第四七〇號

令以前據總稅務司詳稱修正川江行船免碰章程就原章第十四條改爲（第五第六兩條既令民船避讓輪船輪船亦應避讓民船如民船有未遵第五第六兩條致生碰撞情事而該輪船未按照萬國航海避碰章程二十三條及該章程內其他關於此等情形之規定辦理輪船亦不能卸責）等語當經咨行交通部查核去後茲准復稱該項條文援照萬國航海避碰章程修改尙屬可行希將該章程全文抄送到部以憑分行等因相應令行總稅務司將前項修正川江行船免碰章程全文抄送本處以便咨送等因奉此總稅務司合將此項

漢英

文合璧章程三分附

請

鈞處分別存送查此項川江行船免碰章程係由中國政府所頒對於中國船隻自應有效惟新近川江一帶外國輪船已經開辦行駛事宜此項章程如未經外交團允認則對於外國船隻不能發生效力現由總稅務司特備關於此事之節略繕具

英漢

文各二分送請

鑒核以一分咨由外交部連同前項章程一分轉送外交團請其允認以便施行可也謹呈

中華民國六年四月十九日

節略

字字第八七號

竊查宜昌重慶長江一帶行駛船隻實有許多特別難行之處所以輪船往來此項航路以後對於中外船隻應有特別章程之必要早已發見而近年因往來該航路之輪船較前愈多其碰撞及他項意外損傷之事尤爲可慮是以與此項航路有關之各項機關其意見以爲按照馬凱條約第五條之規定所有在危險各灘暨峽口窄狹地方上下等處應由海關設立標杆信號之時期已至而前項設立標杆各事現在海關已經辦到所有設立之標杆信號各處均係隨設隨由宜重兩關頒發警船示俾衆週知標杆信號已經設立示中並訓令來往之輪民各船應作如何遵守此外又由總稅務司派蒲藍田作爲該處巡江工司特別管理該航路一切行船事宜該巡江工司蒲藍田

前在輪民各船來往該處一帶危險之航路已歷多年論其遇事之才識實在罕有倫匹故前經海關巡工司與該巡江工司會商將所有前項指示各船之訓令薈萃一處列作川江行船免碰章程一則送由總稅務司轉呈中國政府詳細參酌現在已經核准惟如未經外交團允認則不能使外國船隻與中國船隻一律遵行該章自不能發生完全之效力於事亦屬無裨故特備具節略呈請

察核施行

隨字字第八七號

稅務處令

案查修正川江行船免碰章程一事前據總稅務司呈送關於此事之節略

英漢

文各二份請鑒核以一份咨由外交

部連同前項章程一份轉送外交團請其允認以便施行等情當經本處將原附

英漢

文節略暨前項章程咨行外交

部照會外交團請其允認去後茲准外交部咨稱准領銜英朱使照稱上年五月十一日前兼領銜和貝使接准來文內附所擬訂之川江行船免碰章程此項章程現經各國大臣詳細酌核囑為答以即可允行惟須稍為修改如下

一第十七條內地地方官三字應改為該管官員

第二十二條後應加入（此項章程係屬臨時適用待有更改之必要時即行更改）之條

此外並有下列解明之處按照各國大臣之意以爲似已包括於章程之內惟若附列章程之後即可免除將來滋生爭辯之點茲囑爲一併達知

一第三條內所指就近可靠之處即應解爲就近相宜可用停船之處

二第十二條內所謂兩輪不能並駕之處即係指明川江灘峽以及第一條內所列明川江危險地上下段中間之處

三第十七十九兩條內欲向外人或外商所有及所僱船隻施行此項章程時則按約只應轉由該國領事辦理）各國大臣深望以上所謂修改解明之處必由貴部贊成並希望該章程早日即可實行以便中外航業貿易均受裨益等因查此項章程既經各國公使修改解明似尙完備是否可行相應咨行貴處查照轉飭總稅務司酌核見復以憑咨復該領銜公使等因到處查前項章程現經各國公使修改解明惟所添改各款是否可行相應令行總稅務司酌核呈復以憑辦理可也此令

中華民國七年五月二十七日

總稅務司呈復 稅務處

呈爲修正川江行船免碰章程現經酌核外交團答復之修改暨解明各條除解明之第三端內及所僱三字應行刪除外其餘均可照允事案奉第九四三號

令以案查修正川江行船免碰章程一事前據總稅務司呈送關於此事之節略

英漢

文各二份請鑒核以一份咨由

外交部連同前項章程一份轉送外交團請其允認以便施行等情當經本處將原附

英漢

文節略暨前項章程咨行

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一第十七條內地方官三字應改爲該管官員

二第二十條後應加入（此項章程係屬臨時適用待有更改之必要時即行更改）之條

此外並有下列解明之處按照各國大臣之意以爲似已包括於章程之內惟若附列章程之後即可免除將來滋

生爭辯之點茲囑爲一併達知

一第三條內所指就近可靠之處卽應解爲就近相宜可用停船之處

二第十二條內所謂兩輪不能並駕之處卽係指明川江灘峽以及第一條內所列明川江危險地上下段中間之處

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外交部轉請外交團將該條內及所僱三字刪除以清權限其餘均可照行緣奉前因理合備文復請
鈞處鑒核可也謹呈 中華民國七年五月三十一日

洪字第一〇九號

稅務處令

案查川江行輪免碰章程一事前由本處參照總稅務司洪字第一零九號呈復各節咨請外交部轉致各國公使
將章程內及所僱三字刪除去後現准外交部咨復准領銜英朱使復稱各國公使業經核奪囑爲答以允准所請
將及所僱三字刪除並聲明所希望者各公使既與中國政府關於此項章程并無意見不同之處即可早日實行
以達各方面之利益更望將允行之章程英漢文一併擲下以便轉送各使館俾得使各本國人遵行爲盼等因咨
復到處查此項川江行輪免碰章程現在各公使既允將解明之第三端內及所僱三字刪除并希望中國政府早
日實行自無庸再有延擱應由總稅務司將原訂英漢文章程按照外交團所經修改及解明并刪除各節分別增
刪修正印刷漢英文合璧多本詳送過處以便咨部轉復並分發各關通飭遵照可也此令 中華民國七年七月二十六日

CIRCULAR No. 2894 (SECOND SERIES).

Ship's Register (*Ch'uanp'ai*): form of, for Chinese steamers and sailing vessels of foreign type: instructions; remarks re National Papers, Chiao-t'ung Pu *Chihchao*, issue of launch papers, etc.

INSPECTORATE GENERAL OF CUSTOMS,
PEKING, 27th January 1919.

SIR,

1.—The issue of Circular No. 2791 raised the question what form of Certificate of Registry or "Ship's Paper" should be issued to Chinese-owned vessels of foreign type, and ports, in the absence of any existing document that will quite meet the case, have asked for instructions.

2.—The current Regulations for the Registration of Steam Vessels and the Issue of Ships' Registers, notified in Circular No. 2212 and provisionally to be applied to Chinese-owned sailing vessels of foreign type (Circular No. 2791), deal with two separate and distinct operations—(1) the issue of *Chihchao* (執照) by the Ministry of Communications, and (2) the subsequent *visé* of that document and issue of *Ch'uanp'ai* (船牌) by the Maritime Customs. These instructions have caused some confusion, and a state of affairs which is admittedly unsatisfactory has arisen owing to lack of co-ordination between the Ministry of Communications and the Inspectorate.

3.—Previous to the creation of the Shipping Department of the Chiao-t'ung Pu, the only administration concerned with the issue of so-called "National Papers" to Chinese vessels of foreign type was the Maritime Customs. The authority for the exercise of this function was Circular No. 9 of 1873,* which laid down rules for the issue of Ship's Registers or *Ch'uanp'ai*. These rules provided that particulars of the vessel should be supplied by the Commissioner to the Superintendent, who filled in the particulars in Chinese in the Register and returned it to the Commissioner. The latter added the particulars in English and handed the Register to the vessel's owner, keeping, of course, in his office a record of each issue. Subsequent Circulars dealt with the question of fees to be collected and the manner in which these Registers should be recorded, a Service form, [C.—131], being authorised for sea-going vessels and a separate form, [C.—97], for steam-launches (Circulars Nos. 22 of

* *Antea*, vol. i, pp. 294–298.

1873, and 306, 329, and 497, Second Series). The Regulations for Inland Waters Navigation led to further modification of procedure and introduced a combined form of Certificate of Registration and Inland Waters Certificate, which was issued as a Service form, [C.—98]. So far as steam-launches are concerned, this form is regarded as the Ship's Register or National Paper and has taken the place of the *Ch'uanp'ai* issued by the Superintendent: it has even in some cases been issued as a Ship's Register to sea-going vessels visiting foreign ports, a purpose for which it is unsuitable. This may be due to the fact that the *Ch'uanp'ai* issuable under the authority of Circular No. 9 of 1873 was apparently never standardised as a Service form, although it has remained in continual use. The enactment by the Ministry of Communications of Shipping Regulations (Circular No. 2212) without reference to the Inspectorate caused more complication. These Regulations required steamers and, later, sailing vessels of foreign type to register at the Board and take out the Board's Certificate (執照): they did not, however, abolish the *Ch'uanp'ai* issued by the Maritime Customs. The issue of two separate documents by independent administrations, either of which might claim to be the Ship's Register or "Ship's Paper," was undoubtedly confusing, although the matter did not assume practical importance until Chinese-owned steamers, as a result of the war, began to be placed on foreign routes and to frequent European and American ports. Neither of the documents in its present form is suited to the requirements of foreign trade. The Board's *Chihchao* is a document written entirely in Chinese, and it limits the vessel to a specified route: the Superintendent's *Ch'uanp'ai*, originally intended only for treaty-port trade and so worded, does not provide in the English portion sufficient particulars to enable the vessel holding it to be identified beyond question in a foreign port. But of the two the *Chihchao* is the least suitable.

4.—The Shipping Bureau of the Chiao-t'ung Pu is now engaged, with foreign expert assistance,* in the task of drawing up comprehensive shipping laws and regulations for Chinese vessels of foreign type. These regulations will eventually be enforced by the Maritime Customs, and National Papers such as Ship's Register and Ship's Articles will in due course be issued under the authority of the Ministry of Communications. In these circumstances it would only lead to more confusion were the Customs now to issue a new form of *Ch'uanp'ai*.

* This assistance was being rendered by Captain W. Ferd. Tyler, who had been appointed in September 1918 Adviser to the Ministry of Communications and the Ministry of the Navy (*vide* W. F. Tyler, "Pulling Strings in China," p. 272 *et seq.*).

5.—I have accordingly decided to leave the existing form in use until it is superseded by something better. Appended to this Circular will be found a copy of the *Ch'uanp'ai*, [C.—98a], which is to be used also for sailing vessels of foreign type with such alterations as are necessary, and ports can apply to the Statistical Secretary for as many copies as they require. Care must be taken to have the Superintendent's seal impressed on the document, and if explanations are desired, the temporary nature of the Register must be explained in the light of the preceding remarks. For office record the form [C.—131] is to be used. Finally, you will note that the "Ship's Paper" to be issued to steam-launches is still the form [C.—98].

I am, etc.,

F. A. AGLLEN,
Inspector General.

been spent in the Service and, until I sever my connexion with it, is bound up with the Service. One of my first official acts was to reorganise the Out-door Staff. From time to time improvements have been made in various directions that have gone practically unnoticed. Reform is never final and must in the nature of things be progressive, and I feel very keenly the injustice of the feeling of mistrust towards myself personally which has recently been manifested in Shanghai.

When I returned to Peking after visiting the ports early this year I took up immediately the question of the Out-door Staff, although I was overwhelmed with an accumulation of business, all more or less important. At that time the Shanghai Committee of the Out-door Staff had not yet got to work so far as I know. When I heard of its activities—the correspondence with the ports, the meetings, and resolutions passed—I saw no objection to the movement, more especially in view of the self-imposed restraint evident in the proceedings. On the contrary, I thought it a good thing that the Staff should confer, and, though the points that came out in these deliberations were in no way new to me, I regarded the general consensus of opinion elicited by the correspondence as helpful. But latterly the movement has gone beyond the bounds originally imposed by the members themselves, and there are indications that further activity on trade union lines is contemplated by the Shanghai Committee. There is danger in this, because such action, natural and even beneficial in a suitable environment, is quite inappropriate in the circumstances in which foreigners are employed by the Chinese Government. A little reflection will make this plain, and I trust the good sense of the Service to discountenance any further movement on these lines.

3.—The reorganisation now to take effect from the 1st March is designed to afford improvement in three main directions: it balances the careers in the Executive and Examining branches; it confers a general increase of pay, larger or smaller according to length of service and individual capacity; and it shortens the period of retiring allowance to seven years. It is open to criticism in one respect, in that it increases the number of ranks to be climbed; but, while this is in the circumstances an almost inevitable condition of any scheme of reorganisation, it will, I think, not prove in the end a disadvantage, seeing that I mean to create, this year, a Provident Superannuation Fund, which will open the way to a more rapid flow of regular promotion. Furthermore, I wish to provide a means for the more rapid advancement of specially qualified men to the higher ranks of Examiners. Conditions are changing in

China; we require as our Appraisers men who are specialists, and, while I shall be glad to find them in our own ranks, it will be necessary, if I cannot do so, to introduce them from outside.

4.—Amelioration of conditions in certain other respects, not covered by this reorganisation, such as upkeep of uniform allowance, leave period, leave and transfer travelling expenses, shorter hours of duty, etc., is under consideration, but as some of these measures will affect the whole Service and must be comprehensively treated, I am unable for the present to make any announcement.

5.—In conclusion, I wish to say a word about two matters which I understand have come up in interport discussion of Out-door Staff conditions. I allude to transfers and Confidential Reports. There seems to be a desire to have transfers arranged on some definite and uniform plan. This, I fear, is quite impossible. Transfers are not ordered haphazard, nor without due consideration of every individual case. Each transfer is the result of very careful study, which weighs port recommendations, family requirements, personal health, and previous service. I doubt whether anywhere in the world so much attention is given to Staff movements. But over all and determining all transfers are the exigencies of the Service, which require 40 ports distributed throughout a huge area to be manned.

In regard to Confidential Reports, the impression that these are made the vehicle for the indulgence of personal spite is absolutely without foundation, and, even if it be admitted that prejudice is a human frailty hard to control, the use made of the reports by me effectually discounts any disadvantage likely to arise from too favourable or unfavourable a report. No action is ever taken on any one report, and the series spread over a number of years from many different authorities forms a valuable chart of a man's character and capacity, without which Staff administration would be impossible.

A copy of this Circular is to be put in your Out-door Staff Order Book.

I am, etc.,

F. A. AGLEN,

Inspector General.

CIRCULAR No. 2919 (SECOND SERIES).

Scales in use at Native Customs: report called for.

INSPECTORATE GENERAL OF CUSTOMS,
PEKING, 21st March 1919.

SIR,

1.—A question was recently referred to me by the officer in charge at Ningpo concerning the scales used respectively by his Maritime and Native Customs establishments. It was found that the Native Customs were using a steelyard, supplied originally by the Superintendent, set to balance at 14 taels to the catty—this being the 庫平舊秤 in use apparently by the Native Customs before our assumption of control and still in use by the Native Customs beyond the 50-*li* radius. I instructed Mr. Kremer* that the scales must be uniform, holding it to be contrary to principle for two establishments under the same administration to employ varying scales. My decision, as you will see from the appended copy of Shui-wu Ch'u despatch No. 386, was criticised by the Ningpo Superintendent, who represented to the Ch'u that the adoption by the Native Customs of the Maritime Customs scale—1 catty = 16 taels—would cause a considerable loss of revenue. In correspondence with the Ministry of Finance the Shui-wu Ch'u upheld my decision and went further, proposing that the extra-50-*li* Native Customs should also adopt the Maritime Customs scale in the interests of uniformity. The Ministry of Finance, as you will observe, is not prepared to authorise what it regards as a sweeping change without further inquiry and has reserved final judgment concerning the particular change of scale at Ningpo. In regard to the proposal to adopt the Maritime Customs scale generally at all Native Customs establishments, the Ministry has decided to make no change for the present at those which are under the Superintendents' sole control, while, before any further change of scale is made by Native Customs within the 50-*li* radius, the Ministry wishes Superintendent and Commissioner to consult together and report to Board and Inspector General respectively.

* Pierre Paul Prosper Marie Kremer was born on the 29th June 1878 at St. Rewan, Finistère, France, and joined the Customs Service as 4th Assistant, B, on the 18th January 1897. He served at Shanghai (five times), Nanking, Chungking, Wenchow, Kiungchow, Canton, Wuchow, Chefoo, and Ningpo before being promoted Deputy Commissioner (Acting Commissioner) at the last-named port on the 1st April 1919. Five years later he was promoted Commissioner, and in that capacity served at Samshui, Kiukiang, Newchwang, Chinkiang, and Mengtsz, from which last-named port he retired on the 30th April 1930. Kremer holds Civil Rank of the 5th Class; the Order of the Chia Ho, 4th and 3rd Classes; and the Pao Kuang Chia Ho, 3rd Class. Kremer served through three years of the Great War, and was decorated with the Croix de Guerre.

2.—I have been under the impression that this was an isolated case and that, generally speaking, the Native Customs establishments controlled by us employ a uniform scale. As there appears now to be some doubt about this, I wish you to report as promptly as possible what your practice is. No change is to be made without further instructions, but if your Native Customs establishment uses a scale at variance with the Maritime Customs scale you are to consult with the Superintendent and advocate uniformity, requesting him to make representation in this sense to the Shui-wu Ch'u and Ministry of Finance.

I am, etc.,

F. A. AGLLEN,
Inspector General.

ENCLOSURE.

稅務處令

准財政部咨復准本處咨以浙海關監督呈稱本關稅務司已將鎮海常關原用庫平舊秤照海關一律改用磅秤於常稅不免損失一事詢之總稅務司稱前由克稅務司電稟當已復准照辦等語是該關行用磅秤業已多日不便中止且上海温州各常關久已改用磅秤與洋關同此次浙海常關係仿照辦理自應照准其浙海關所屬之五十里外常關似亦應援照辦理用歸一律咨部查照辦理等因查此案據該關監督江日電稱常關改秤稅務司已於東日實行並自行佈告商民請電示等語當經部處會商以該關五十里內常關改用磅秤既定實行日期不便失商民信用姑准先行試辦仍俟查明損失實數辦理有無窒礙再行呈候核定會同電復在案茲准咨稱五十里外常關亦應援照辦理一節在各省五十里外常關所用秤碼大都參差不一若令援照辦理則牽動必多且常關秤碼比較海關磅秤重量減少稅收上尤不免暗受損失本部擬令暫循舊章一俟查明損失實數通盤籌計再議更改再此後各海關所屬五十里內常關如有應行更改之事應由稅務司會同各該關監督先行商酌分呈部處核准後再予施行以免窒礙而重稅權請令總稅務司轉行遵照至級公誼除指令浙海關監督外咨請查照辦理等因前來相應令行總稅務司轉令該關稅務司遵照可也此令

中華民國八年三月十七日

CIRCULAR No. 2949 (SECOND SERIES).

**War service employés in Customs, Postal and Salt Administrations:
special treatment of, in respect to gratuities, passages, etc.,
approved by Chinese Government; instructions.**

INSPECTORATE GENERAL OF CUSTOMS,

PEKING, 28th June 1919.

SIR,

1.—In Circular No. 2253* I defined the Service position *vis-à-vis* Customs employés withdrawn from employment under orders received from their respective Governments for military service in the European War, and, as you know, I have extended the same treatment to all those who voluntarily offered their services and threw up their employment. In S/O Circular No. 25 I announced that I was prepared to advance to employés returning from war service the cost of passages for themselves and their families to China. So far these are the only official announcements that I have felt myself at liberty to make without committing the Chinese Government prematurely to a course of action and the acceptance of principles affecting other departments of the Government service which had not received consideration and might not have been approved. My silence, however, has been misunderstood and has been made the occasion for public misrepresentation, though I am confident that the majority of the war service employés themselves gave me credit for feelings very different from those attributed to me. It is hardly necessary for me to say that no one in the Service had more sincere respect and admiration for those who responded to the call of duty and that no one regrets more deeply the loss of gallant lives or has warmer feelings of sympathy for all who have sacrificed and suffered in the common cause.

2.—On my return to Peking after the conclusion of the Armistice I felt that the time had come when I could properly make representations to the Government in this connexion, and that, as head of the senior Service employing foreigners in its ranks, the initiative would appropriately come from me. I accordingly suggested to the Ministers of the Shui-wu Ch'u that I should invite the heads of the Postal and Salt Directorates to confer with me and that we should agree on a joint recommendation to be submitted

* *Antea*, vol. iii, p. 199.

independently, but in identical terms, to our respective Boards for approval by the Cabinet. After some discussion we agreed on a draft representation, which was duly submitted to the Cabinet, and, although our recommendations have not been accepted in their entirety, the following treatment of war service employes in the three Services has now been approved:—

1°. (a.) A gratuity equivalent to one-fourth of his substantive pay (*i.e.*, allowances excluded) as it was on date of withdrawal and calculated for the period from the date of withdrawal from the Customs to the date of termination of military service, or of signature of Peace Treaty, whichever may be the earlier, will be granted to each member of the Chinese Customs Service who, being a subject or citizen of one of the Associated Powers, resigned for war service and actually did so serve, and who rejoins.

(b.) A gratuity equivalent to one-third of his substantive pay, but otherwise calculated as above, will be payable to each member of the Chinese Customs Service who, being a subject or citizen of one of the Associated Powers, resigned for war service and is unable to rejoin through being incapacitated owing to war service and to the next of kin of any member of the Customs who was killed or died while absent on war service.

2°. To any employé who rejoins the Service will issue an allowance equivalent to the cost of a passage ticket from his own country to China for himself and for each member of his family (wife and children) who actually travelled to China with, or within six months after, him. Such allowance, however, will not be issued where the home authorities have provided free passage; if part passage has been provided, deduction will be made accordingly.

3.—You will notice that the treatment above laid down does not touch questions of seniority or retiring allowance, which, being matters of internal administration, have already been decided by myself.

4.—All those who have claims under the above treatment are requested to submit them officially through their Commissioners.

Where advances have been made under the authority of S/O Circular No. 25, the amount advanced will be deducted from the payment made and his promissory note will be returned to the signatory.

I am, etc.,

F. A. AGLEN,
Inspector General.

CIRCULAR No. 2952 (SECOND SERIES).

**Revised Import Tariff, 1919: to come into force on 1st August 1919;
further instructions *re* treatment of soap.**

INSPECTORATE GENERAL OF CUSTOMS,
PEKING, 4th July 1919.

SIR,

1.—In continuation of Circular No. 2948:

Revised Import Tariff, 1919: explanations of terms used
in, notified for information of Staff; instructions:

wherein you were told that the date on which the Tariff is to come into force would be notified later, I have now to inform you that this date is 1st August 1919, and that in order that the prescribed one month's notice might be given, I instructed all ports by my telegrams of 29th June to issue a Customs Notification in this sense. All shipments to China made prior to 1st August 1919 will continue to pay duty in accordance with the old Tariff.

2.—I take this opportunity of adding to the list of explanations given in Circular No. 2948 some further instructions, which will be found in Enclosure No. 1 to this Circular, concerning the duty treatment of household soap. You will see that what are technically known as "half-bars" may be passed at the Tariff rate.

3.—Copies of Shui-wu Ch'u despatches Nos. 1051 and 1057, with reference to the above, are also appended for record.

I am, etc.,

F. A. AGLEN,
Inspector General.

ENCLOSURE.

稅務處令

案查新修進口稅則業經各關係國政府承認迭准外交部將駐京各使照會抄錄咨照本處在案此項進口新修稅則現定於本年八月一日實行所有八月一日以前起運來華之貨仍照現行稅則完納稅項其八月一日以後起運來華者即照新則完稅除分別電令各關監督遵照外相應令行總稅務司查照迅即電令沿海沿江及邊境陸路各關稅務司一體遵辦並先將實行新稅則日期於七月一日揭示俾衆商週知可也此令 中華民國八年六月三十日

第一〇五一號

稅務處令

據總稅務司盈字第一五三號來呈以據前任修改稅則委員會副主任現任江海關稅務司賴發洛呈稱新稅則第四百零一號項下載有家用及洗衣肥皂（藍點肥皂在內）大塊成條雙塊淨重不過毛重及

每條重不在七英兩以下按照毛重徵稅等語查家用肥皂內有一種商人向稱爲半條者每一包裝有兩半條而每半條淨重不及七英兩每包則已過之此項肥皂攷諸滬關歷來辦法係按每一包卽兩半條爲課稅之單位仍照重量徵稅惟新稅則既載明每條重不在七英兩以下按照毛重徵稅云云則此項半條肥皂每條淨重不過七英兩現如欲仍照滬關辦法將兩半條視爲課稅單位按照重量徵稅必須由中國政府允許方爲正辦否則此項半條肥皂勢不得不改照估價徵稅呈請鑒核等因總稅務司查此項半條肥皂實係家用之品而滬關辦法相沿有年應請酌奪通融照准以符商情而維原案理合據情呈請核示以便令關遵辦等因前來本處查新稅則第四百零一號家用及洗衣肥皂業經註明淨重不過毛重及每條重不在七英兩以下按照毛重徵稅每担四錢四分則此每兩半條共裝一包而每半條重在七英兩以下者本應另照估價徵稅惟既據呈稱前因應卽通融准照滬關相沿辦法以兩半條爲課稅單位仍從重量徵稅除分行外相應令行總稅務司查照轉令遵辦可也此令

中華

民國八年七月一日

CIRCULAR No. 2953 (SECOND SERIES).

Revised Import Tariff, 1919: application of, at northern and southern frontier ports; instructions.

INSPECTORATE GENERAL OF CUSTOMS,
PEKING, 7th July 1919.

SIR,

In my Circular No. 2940, recommending preliminary study of the Revised Import Tariff of 1919, I stated that these instructions apply also to frontier ports where hitherto the 1858 Tariff has been retained, and my telegram of 29th June, directing Commissioners to announce by Customs notification the 1st August 1919 as the date on which the new Tariff would come into force, was also sent to northern and southern frontier ports.

I now append copy of despatch No. 1070 from the Shui-wu Ch'u, from which you will see that at the southern frontier ports, Mengtsz, Lungchow, Tengyueh, etc., where the 1858 Import Tariff has hitherto been retained, the Revised Import Tariff of 1919 is from the 1st August to take its place subject to the deductions conceded by treaty.* Similarly, at the northern frontier ports Harbin and district and Antung the new Tariff, subject to the deductions prescribed by treaty or special agreement, supersedes the 1902 Tariff, and it is also to be applied at Hunchun and Lungchingtsun with a deduction of one-third, as allowed at Antung for rail-borne goods (Circular No. 2058),† in the case of all goods imported across the frontier. A similar deduction is to be allowed by the Hunchun and Lungchingtsun Customs, in the case of goods exported across the frontier, on the Export Tariff duty rates from the date on which these instructions take effect.‡

I am, etc.,

F. A. AGLLEN,
Inspector General.

* The treaty articles prescribing reduced tariff rates for trade passing across China's land frontiers are:—

- (1) China/Russia frontier: Treaty of St. Petersburg, 12th to 24th February 1881, Article XV, and appended *Réglement pour le Commerce par voie de Terre*.
- (2) China/Korea frontier: Manchurian Convention of 1905, Supplementary Agreement, Article XI; Agreement of May 1913 concerning Special Duty Reduction Treatment of Goods imported into Manchuria from or through Chosen, and exported from Manchuria to or through Chosen by Rail *via* Antung, 1913.
- (3) China/Indo-China frontier: Additional Commercial Convention of 1887 with France, Article III.
- (4) China/Burma frontier: Burma Frontier and Trade Convention of 1894, Article IX, endorsed by Burma Convention of 1897, Article IX.

† *Antea*, vol. iii, p. 116.

‡ For the next step in this matter of duty reduction on land frontier trade, *vide postea*, I.G. Cir. No. 3252, vol. iii, p. 644.

ENCLOSURE.

稅務處令

案查新修進口稅則規定本年八月一日實行業於本年第一〇五一號令行知轉令沿江沿海及邊境陸路各關稅務司一體遵辦在案此項進口新稅則應於中俄滇緬中韓滇越及龍州各邊界稅關一律適用惟施行時仍各按向來減稅辦法辦理以符約章此外尚有由接近北鮮間島琿春等處陸路經由琿春關及延吉分關運往北鮮地方各貨物及經由琿春關及延吉分關由北鮮地方運往前記間島琿春等處各貨物亦屬於陸路通商應自新稅則實行之日起均予照則各減三分之一徵稅即依照民國二年中日簽定由朝鮮用火車運貨經安東赴東三省暨由東三省運貨赴朝鮮之減稅辦法辦理以歸一致相應令行總稅務司查照辦理可也此令 中華民國八年七月四日

CIRCULAR No. 2956 (SECOND SERIES).

**Chinese Clerks: staff petitions for improvement of conditions of service;
I.G.'s comments; average career of Clerk defined; promotions will
be accelerated; retiring allowances to be on decennial basis;
questions of leave and allowances under consideration.**

INSPECTORATE GENERAL OF CUSTOMS,
PEKING, 21st July 1919.

SIR,

1.—Petitions from the Chinese In-door Staff, at nearly all ports, for an improvement in the conditions of their service have now been before me for some time. These petitions, which are for practical purposes identical, open by alluding to the more responsible duties which were entrusted to the signatories during the European War, and they proceed to ask, in the first place, for reclassification accompanied by a general increase of pay and, secondly, for more liberal treatment in the matters of leave and allowances. The questions raised have led me to an exhaustive examination of the system on which promotions have hitherto been made and its result on the careers, more particularly of the Chinese Clerks. And the time taken in this examination, embracing the question of the adequacy or otherwise of Customs rates of pay in comparison with what is offered in kindred spheres of employment under the Chinese Government, has, I regret to say, delayed my answer to these appeals longer than I anticipated.

2.—Before proceeding to deal with the various requests a few words are due on the work of the Chinese staff during war time. The war made serious inroads on the strength of the foreign staff, and it gives me pleasure to acknowledge and record my appreciation of the manner in which by their capacity and goodwill the Chinese staff successfully discharged the added and more onerous duties which fell to their share in the absence of many of their foreign colleagues. It is in its power to form a class of Chinese civil servants of a high standard of integrity and efficiency that the final success of the foreign Inspectorate will lie, and I welcome every indication that its influence in that direction is real and active.

3.—The last reclassification of Chinese Clerks, involving a general increase of pay, was made in 1908. As may be learnt from

Circular No. 1539, it was not considered desirable on that occasion to increase the number of highly paid posts, but more pay was given to the men in the middle ranks and to juniors in their early years of service. Since then I have attempted to improve conditions by the issue of more frequent and regular promotion lists, and to reward the services of a certain number of exceptionally qualified Clerks by promotion to Assistant's rank. The statement that the present rates of pay do not adequately remunerate the services of the average employé cannot be substantiated. On the contrary, I find that everything goes to show that although of necessity employment in the Customs does not afford the prizes of commercial life, it yet offers a highly desirable career for well-conducted and competent men of good standing and compares very favourably with employment of a similar kind offered by other kindred institutions. But while no valid case exists for general reclassification and increase of pay, an analysis of the staff has shown that, tested by the present rate of promotion, the career not only of the more gifted employés but also of the majority of Clerks engaged in ordinary routine work, whose conduct is uniformly satisfactory, has been too slow and that the criticism contained in the petitions is in this respect well founded. The rank of 1st Clerk, A, gives a position and pay which compare favourably with the highest posts attainable by Chinese in the civil service of other Governments in China and, generally speaking, of the Chinese Government civil service which is not under foreign administration. While this is by no means the limit to which a Chinese Assistant or Clerk in the Customs Service may attain, it does, I think, represent a goal which every Clerk of satisfactory conduct may reasonably expect to reach after a normal career of, say, 28 years' service. My investigations, however, show that at the present rate of promotion this is not possible, and I have accordingly decided to accelerate the rate of promotion so that this may be the normal career of every Clerk whose reports are uniformly satisfactory. And seeing that the Clerks as a body now ask that those who get special recommendations may be duly rewarded, steps will be taken to expedite the passage through the ranks of those who display conspicuous ability and receive exceptionally good reports. Meanwhile the promotion list of Clerks which would otherwise have been issued early in the year will be fuller than usual and will confer steps in rank dating respectively from the 1st July, 1st August, and 1st September.

4.—The request for more liberal treatment in matters of leave and allowances in general remains under consideration, and what can be done will be done; but as regards retiring allowances an

immediate modification of existing rules is possible, and in respect of future services they will be placed on a decennial basis in all cases in which they have hitherto been duodecennial.

I am, etc.,

F. A. AGLEN,
Inspector General.

CIRCULAR No. 2977 (SECOND SERIES).

Out-door Staff: proposal to make good depletion in ranks of foreigners by increased employment of Chinese; instructions to certain ports published for information of Commissioners.

INSPECTORATE GENERAL OF CUSTOMS,
PEKING, 9th October 1919.

SIR,

I enclose, for your information, copy of a despatch on the subject of recruiting Chinese Tidewaiters,* which I have addressed to the Commissioners of Customs at Tientsin, Shanghai, Hankow, and Kowloon.

I am, etc.,

F. A. AGLEN,
Inspector General.

* *Vide antea*, I.G. Cir. No. 2443, vol. iii, p. 275.

ENCLOSURE.

*The Inspector General to the Tientsin, Shanghai, Hankow,
and Kowloon Commissioners.*

Tientsin, 5437/75,360.

Shanghai, 11,152/75,361.

Hankow, 3196/75,362.

Kowloon, 3019/75,363.

PEKING, 9th October 1919.

SIR,

1.—The reduction of the Out-door Staff caused by the withdrawals on account of the war led, as you know, to the recruiting of Chinese instead of foreign Tidewaiters in increased numbers. In spite of a number of foreign employés specially recruited in England, the foreign element has not been restored to its former proportion, and everywhere, taking into account leaves granted or overdue, we are short-handed.

2.—This situation can be met, of course, by bringing out more men from Europe, and, in present circumstances, the Service offers so attractive a career—notwithstanding much ill-considered agitation—that I am convinced I can procure any number of men required. There are reasons, however, which make me hesitate to take this course. The war has hastened a process, inevitable in the long run, tending to throw work of a certain kind more and more on Chinese. This development has proceeded further in the In-door Staff than in any other Staff or Department, but it is at work everywhere, and it is a natural and healthy development. I am inclined for many reasons—financial, political, and administrative—to proceed in the direction in which force of circumstances has given a lead, and seeing that the possibility of diluting the foreign element in the Out-door Staff with Chinese has been demonstrated, I propose to meet the situation by increasing the number of Chinese rather than of foreigners and by employing the latter chiefly in the work of training, supervision, and direction.

3.—If this policy is to be carried out successfully, the Chinese recruited must possess the necessary qualifications. Strong physique and habituation to rough work are among these qualifications; but an education in English sufficient to enable the recruit to write out reports, make calculations, and understand orders is also essential.

And it is this combination as a requirement that presents the chief difficulty. Most of the special reports sent up, in accordance with instructions, from recruiting ports on the men engaged in 1919 are distinctly encouraging, and show that much good material which promises to develop well has been obtained. Nevertheless, I am not satisfied that we have found the best means of recruiting Chinese Tidewaiters. I may still find it necessary to start a school for training and educating raw material somewhat on Customs College lines.

4.—Meanwhile it occurs to me that we have come to the point which was reached much earlier by those responsible for creating police forces on foreign lines in China. The forces in Hongkong and in the Foreign Settlements in China, of which the main body is Chinese and the directing officers foreign, show that a problem somewhat similar to that with which the Customs has to deal has been successfully solved, and an inquiry into the methods by which these forces are recruited and trained might perhaps yield valuable information.

5.—I have accordingly to request you to study this question carefully and to report on it with as little delay as possible. Your report should state from what class of men the Chinese police under foreign direction at your port are recruited, what qualifications are required in recruits, how they are trained in their duties, whether they are required or encouraged to speak and write English, what is their initial pay and what subsequent increases are granted, whether increased pay carries with it increased responsibility, what are the most responsible posts open to Chinese, and how many qualify to fill them. In addition to answering these questions you should also add whatever information and remarks you think will be helpful.

I am, etc.,

F. A. AGLLEN,
Inspector General.

SEMI-OFFICIAL CIRCULAR No. 29.

Out-door Staff deputation to the Inspector General: events that led up to, views expressed by, and Inspector General's reply to, recorded for general information; Inspector General's comments.

INSPECTORATE GENERAL OF CUSTOMS,
PEKING, 11th November 1919.

SIR,

1.—The agitation for improved pay and conditions, promoted by certain members of the Foreign Out-door Staff at Shanghai early this year, did not, as many may have expected, subside on the appearance of my Circular No. 2912. On the contrary, it was kept alive and fostered by a Committee of the Staff, who entered into correspondence with the ports with a view to eliciting an expression of opinion that might be taken to be fairly representative of the feelings of the whole Foreign Out-door Staff. I watched these proceedings with interest and not without a certain amount of sympathy. I considered that if the Staff desired in this way to give utterance to a collective expression of their sentiments, it was infinitely better that such expression should be given than that feelings should be repressed and rendered inarticulate owing to lack of any convenient means of giving them expression. While I could not and cannot regard the so-called "Shanghai Committee" as doing more than represent the opinion of a majority of the Shanghai staff, nor allow it to approach me officially in the name of the whole Staff, I was prepared to give due consideration to the opinion it had succeeded in eliciting. When, therefore, I received, through the Shanghai Commissioner, a request from a number of the Shanghai staff, including some senior men, that I would receive at Peking a deputation consisting of two or three elected delegates "to report accurately the sentiments of the Out-door Staff as a whole," I replied that I would be glad to do so provided the deputation should include a delegate from each of the three larger ports, Canton, Hankow, and Tientsin. Shanghai and the above ports were accordingly instructed to make the necessary arrangements, and the deputation—consisting of the following members: Mr. H. Wyatt, Chief Examiner, B, and Mr. C. T. Underhill, Assistant Examiner, B, from Shanghai; Mr. W. C. A. Prah, Boat Officer, from Canton; Mr. T. White, Examiner, B, from Hankow; and Mr. B. Poletti, Assistant Examiner, B, from Tientsin—duly assembled in Peking on the 28th October. I devoted two mornings

to meetings with the deputation, which took place on the 29th and 30th October, and I now write this Circular to give an account of the proceedings for general information and guidance.

2.—In addition to the members of the deputation named above, there were present with me the Chief Secretary, Mr. J. W. Richardson, and the Acting Staff Secretary, Mr. W. H. C. Weippert, who took notes for my information and for record. Having welcomed the deputation and ascertained that they had agreed to let Mr. Wyatt be their chief spokesman, I requested them to lay their views before me with the utmost frankness. I asked them not to mince matters, but to try to convey to me what their colleagues were actually saying and feeling among themselves. I assured them that I would listen with as little comment as possible and that I would give them my own views on the following day with equal frankness. Mr. Wyatt then read from notes what I understood to be a general statement of Out-door Staff sentiment and followed with a series of specific suggestions for improved relations and better conditions.

The impression I gained from the general statement was somewhat to the following effect. There is a very widespread feeling of antagonism on the part of the Out-door Staff towards the In-door Staff. This is attributed partly to the stigma attached to the word "Out-door," which extends beyond the Service and reacts on all social relations with the foreign community, and partly to an alleged lack of sympathy with, and consideration for, the Out-door Staff that is shown by Commissioners and other members of the In-door Staff. It was suggested that the former grievance might be remedied by the abolition of the word "Out-door" and by some modification of the rules prescribing the wearing of uniform, and in regard to the latter, that what is wanted is an entire change of system and the adoption of business-like methods of co-operation which have met with success in the mercantile world. The prevalent feeling would seem to be that the In-door Staff goes out of its way to treat the Out-door Staff with contempt; that in disciplinary cases the Out-door Staff does not get a fair show, only one side of the case, and that the Commissioner's, being represented; that petty tyrannies are inflicted on the Out-door Staff, leading to the pushing out of good men whose existence is made intolerable; and that the private life of the Staff is unwarrantably interfered with by Tidesurveyors. One of the causes keeping alive this spirit of antagonism was said to be the difference in the treatment accorded to In-door and Out-door Staffs—Commissioners being housed in "palatial residences" and the Out-door Staff in "shacks"; attention

was always promptly paid to In-door requests in the matter of repairs and house improvement; the Out-door Staff complaints were ignored. Another complaint was the secrecy said to be maintained, which withholds from members of the Out-door Staff information concerning Service matters or their work in which they take an interest; the withholding of information as to the result of seizure cases in which members of the Staff had participated was cited as an instance of this secrecy.

Coming to the relations of the Out-door Staff with the Inspector General, I was told that the Inspector General had been deliberately misinformed about Out-door Staff conditions and that if he wished to have the truth about them he must deal with the Staff direct; the relationship between the head of the Service and the Staff should be regulated by business methods. Distrust of the Inspector General personally had been a noticeable feature of recent meetings at Shanghai. This was traced to the allusion in Circular No. 2612 to the desirability of economy in club bills and avoidance of irregular domestic encumbrances. These remarks, which implied that those to whom they were addressed were drunkards and libertines, had been deeply resented; the implication was unjust and an insult to respectable men. When Commissioners began to collect data for suggestions for improvements, the Staff did not believe they were acting in good faith. The feeling of distrust was aggravated when the Inspector General passed through Shanghai at the end of 1918; the Staff expected him to make a statement, and his silence had a very bad effect. It was construed as indifference and caused much disappointment.

Dealing with specific complaints and suggestions, the following matters were brought forward:—

Confidential Reports.—The whole system required modification; when adverse, Reports should be shown to the individual concerned; but, better still, Commissioners should not report on men individually; such a system breeds “sneaks and hypocrites.”

Separation of Executive and Examining Staffs.—The Staffs should be entirely separate, and the Examining Staff, which is the more important of the two, should not be under the control of the Tidesurveyor, who may know nothing about examination and is not capable of reporting on Examiners. The Inspector General's instructions *re* status of Examining and Executive Staffs have been ignored; in many ports a Tidesurveyor is not required.

Hospital Expenses.—More liberal treatment desired. At small ports doctors are often incapable and send men to Shanghai for treatment, causing great expense.

Long Leave.—In-door and Out-door leave treatment should be identical.

Uniforms.—Allowance or material for uniform should be provided. Uniform is often a degradation and unnecessary. Its use should be eliminated as much as possible.

Rent Allowance.—A proper rent allowance or adequate quarters should be provided.

Housing and Furniture.—Bad accommodation in some places forces men to drink and brothels. Better houses are required, and heavy furniture should be provided. Loss on shifting furniture is very heavy, often 75 per cent. of original value.

Shorter Hours of Duty.—Twelve hours in a hot climate is excessive. A half-holiday should be given on Saturday.

Compulsory Retirement.—Men should be compelled to retire after 35 years' service.

Objection to designation "Out-door."—This word carries with it a stigma all over China and connotes an individual of the status of a Sikh policeman or "white coolie." The term is retained to keep men down. Men recruited from home never realise what a difference there is between In-door and Out-door. Realisation induces melancholy and drink.

Career.—Qualified men should be allowed to rise to posts in the In-door Staff for which their training makes them suitable, e.g., Out-door Deputy Commissioner.

Seizure Rewards.—One-tenth insufficient. Bribes are constantly offered, and inadequacy of reward is a temptation to dishonesty.

Transfers.—Men should be asked every two or three years to name the ports they prefer. More time should be given to pack. Want of consideration shown in "packing men off from their ports at five minutes' notice."

Pay should be further increased if silver falls.

Travelling Inspectors should be appointed or deputations received every two or three years.

Other suggestions made covered such matters as better terms for invaliding and death in the Service; treatment of recruits; war bonus; facilities for men on leave to study special industries; instruction of juniors by seniors, *e.g.*, lectures should be arranged on the lines of the lectures by the Shanghai Piece Goods Expert, which are much appreciated; disciplinary powers of Tidesurveyors, which require definition; Superannuation Scheme, details desired; storage of personal effects in Customs godowns of men going on leave; pay of men on transfer detained till 20th of month should be issued to end of month; men should not be kept unduly long at unhealthy ports; records of accommodation at all ports should be kept in Tidesurveyor's office for information of Staff transferred.

The Canton, Hankow, and Tientsin delegates stated that their views were, generally speaking, in accordance with those put forward by Mr. Wyatt. In some matters they were inclined to go further, in others not so far. The question of Native Customs allowances was raised by Mr. Poletti, and some discussion took place on the subject of the complete separation of the Executive and Examining branches, which elicited the opinion that, while it would be a good thing at large ports and practicable at some smaller ports, it would not be practicable at all ports. Hankow opinion appears to favour compulsory retirement after 25 years' service, with permission to remain until age of 60 or completion of 35 years' service but without added benefit. The Hankow delegate also voiced the feelings of those who considered they had not received their deserts in the reorganisation of last March.

3.—The deputation reassembled on the morning of the 30th October, and I discussed at some length the statements and suggestions made. I expressed my satisfaction that the case had been presented so exhaustively. I wanted to know what the Staff was feeling, and, making all due allowance for rhetorical expression, I believed that I had been given a fair impression of the sentiments and aspirations of a considerable portion of the Staff.

Dealing with inter-departmental feeling, I pointed out to the deputation that, while some of it was due to causes which I could not remedy by administrative acts, a great deal appeared to me to be based on insufficient knowledge and misunderstanding. It was a grotesque misconception to suppose that Staff matters were deliberately misrepresented to me by Commissioners and Tidesurveyors. I might not be kept so fully informed by some as by others, but I could contradict emphatically the statement that Commissioners are indifferent to the interests of the

Out-door Staff. I had plenty of evidence to prove that, generally speaking, Commissioners take a very keen interest in the welfare of their staff, and to believe that they devote their time and energy to petty persecution was an insult to their intelligence. It appeared to me that ideas of this kind gained currency from a disposition to accept as facts what is really only the accumulation of gossip and rumour, and I gave instances of statements made in good faith concerning the treatment of individuals and accepted as facts, which were entirely devoid of foundation. The change of system advocated whereby the Service should be administered on co-operative lines did not appear to me capable of realisation. The Service was not a business, and the lines on which it is administered follow in essentials those of all other services. The foundation is discipline; without discipline the Service would soon go to pieces. There was nothing derogatory in paying due deference to constituted authority, and it is the office and not the individual to whom this deference exhibited in certain forms and observances is paid.

The opinion that the Inspector General is entirely ignorant of Out-door Staff conditions was an exaggeration. A lifetime spent in the Service, during which I have had charge of many ports and have visited the majority of them, had given me some insight into conditions. The distrust shown in the meetings at Shanghai also seemed to me to be unjustified; my word to the Service had not been broken. My silence at Shanghai was deliberate. I was invited to meet the Staff in a social gathering in which all departments were represented. I had just returned to China and from a trip round the ports, and I was not prepared to make any announcement concerning future treatment, which was what the Out-door Staff wanted to hear. I spent several days in Shanghai and was quite accessible. A few employes with personal matters to discuss asked to see me, but the Staff did not request me to receive a deputation and made no attempt to lay their views before me. It must be remembered that the Inspector General cannot be expected to speak off-hand on questions of Staff treatment, and until schemes of reform are sufficiently advanced to make official announcement possible he must keep silent. I announced in March the change in the retiring allowance period, and I stated definitely that a Provident Scheme would be launched. Yet some time afterwards the Shanghai staff in meeting assembled appeared to consider that both improvements—the one already acted upon and the other foreshadowed—were alike empty words, and they discussed the propriety of setting a time limit for giving effect to them. I informed the deputation that I would not work to time limits nor

could I be induced to formulate schemes prematurely. The Staff should remember that the introduction of reforms in a long-established Service is a delicate operation and takes time, and they should have patience, especially in times of great difficulty and disorganisation.

I expressed regret that my remarks in Circular No. 2612 had given offence and been resented. But they had been misunderstood. They were addressed to those to whom they were applicable, and my records have sufficient instances to show that the advice was necessary. I was aware, of course, that there was another side to the question, the effects of living in dreary surroundings in a hot climate on many men who have few resources outside their work. In regard to housing in several ports, I fully admitted that there had been and still was ground for complaint. A good deal, however, has been done to improve quarters and more would be done as soon as arrangements could be made. There were difficulties in the way of a simultaneous and rapid raising of the standard of accommodation in China which the Staff perhaps did not fully appreciate.

On the subject of Confidential Reports, I informed the deputation that I had already officially pronounced my opinion. The prevailing idea about these Reports seemed to me to be quite mistaken. I took a form of Confidential Report and read over the printed headings, showing how the questions to be answered under them were in two categories—matters of opinion and matters of fact. It was the Commissioner's opinion about an employé and not the employé's opinion about himself that I wanted, and I could not allow such matters to be made the occasion for controversy and argument. The Reports were indispensable. It was obvious that Commissioners must convey their opinion about the staff under their immediate orders in some form or another, and the Reports are the most convenient form.

I informed the deputation that I would give the other special points brought up by them sympathetic consideration. Some of them were reasonable, and many of the suggestions made contained useful hints. In principle I was in favour of a Saturday half-holiday and shorter hours of duty in hot climates. I had already announced that something would be done to improve leave conditions and travelling and transport allowances. A Provident Superannuation Scheme would be published in due course. I was sorry I could give the deputation no details, but I could say that it would be additional to the present retiring allowances and that a certain monthly contribution from pay, while optional for present

employés, would be compulsory in the case of new entrants. Superannuation at a certain age would also be compulsory. Provision would be made for cases of death or invaliding from the Service.

In regard to direct relations of the Staff with the Inspector General, I informed the deputation that I had no objection to receiving deputations at suitable times, although I could not undertake to lay down any rules on the subject. The request for a war bonus could not, I feared, be granted. Other Chinese Government Departments were concerned, and the Inspector General could not commit the Government to the principle of issuing a war bonus. I expressed the personal opinion that there was no case for issue of a war bonus to those who did not actively serve in some capacity.

4.—The above does not pretend to be a verbatim account of all that was said, but it will show the Out-door Staff that the deputation fully represented their case and that the members got a fair hearing. I shall continue to work for the improvement of the conditions of the whole Service with the means at my command, but I must take my own time, and I will not allow myself to be hurried. To know the other's point of view is essential for the promotion of good fellowship, and I sincerely hope that one of the results of this deputation will be a better understanding between chiefs and subordinates and between the In-door and Out-door Staffs.

I append a copy of a letter which I received from the members of the deputation before their departure from Peking.

You are requested to give each foreign member of your staff an opportunity of reading this Circular.

I am, etc.,

F. A. AGLEN,
Inspector General.

ENCLOSURE.

The Out-door Staff Deputation to the Inspector General.

HOTEL DE PEKING, 1st November 1919.

SIR,

We should like to take this opportunity of expressing our very sincere thanks for the manner in which you have received the deputation from the Out-door Staff and at the same time to express our loyalty to yourself and the Service.

We have, etc.,

H. WYATT.
C. T. UNDERHILL.
W. C. A. PRAHL.
T. WHITE.
B. POLETTI.

CIRCULAR No. 2993 (SECOND SERIES).

**Annual Reports and Annual and Quarterly Returns of the trade
of the various ports to be published henceforth in
separate pamphlets: instructions.**

INSPECTORATE GENERAL OF CUSTOMS,
PEKING, 16th December 1919.

SIR,

1.—Your attention was last called to the subject of the Customs Returns by my Circular No. 2607,* when you were asked more especially to furnish me with the views of yourself and the mercantile community at your port as to the value of the Quarterly Returns of Trade and the form in which they might most usefully be published. The replies received showed a preponderating body of opinion in favour of the continued publication of these statistics, provided a

* *Antea*, vol. iii, p. 382.

procedure was adopted which would expedite issue and make them more readily procurable. More recently the question of our Returns has engaged the attention of the Tariff Revision Commission, and suggestions were formulated by it which have had my careful consideration.* Although it was suggested by the Commission that the Quarterly Returns might be discontinued, the wish for some systematic publication of statistics at less than yearly intervals was evident, and, on the whole, it appeared that the Commission favoured the elaboration rather than the curtailment of the information our Returns at present afford.

2.—In these circumstances I have now decided, as regards the Quarterly Returns of Trade, to give effect provisionally to the alternative suggestion of which mention was made in Circular No. 2607, viz., to abandon publication in volume form and to print and issue the Returns for the various ports as separate pamphlets as soon after the close of each successive quarter as possible. All revenue, shipping, transit, treasure, and passenger statistics will in future be omitted, and the pamphlets as published port by port will comprise the following quarterly tables only:—

- | | |
|--------------|------------------|
| I.—Imports, | III.—Re-exports, |
| II.—Exports, | IV.—Special, |

in which columns will be inserted giving cumulative figures from the beginning of the year. The Return of Dues and Duties and the list of Vessels measured for Tonnage, which hitherto have formed Parts II and III of the quarterly volumes, will, however, continue to be printed, but in the form of leaflets for office use; and the quarterly Treasure tables for transmission through the Statistical Secretary and Inspector General to the Peking authorities will still be required.

3.—While the procedure as regards the Quarterly Returns will be as above, commencing with the statistics for the March quarter 1920, the Annual Reports and Returns, forming at present Part II of the annual series, will be similarly treated, commencing with those for the year 1920, and will be added to the December quarter port pamphlets. These December quarter pamphlets will

* At their semi-final meeting, held on the 11th December 1918, the Tariff Revision Commission decided to recommend (1) that in the annual returns more detailed information should be supplied regarding imports and exports, and that there should be included a summary, classified by countries, showing the import and the export trade done by China with each country; (2) that semi-annual returns be also published; (3) that the quarterly returns should be discontinued; and (4) that the daily returns of the ports issuing such should be on the lines of those published for Shanghai, and that such reports should be issued more promptly.

accordingly contain the tables above mentioned followed in order by the Annual Report in English and Chinese and the annual tables of—

- | | |
|---------------------|------------------------|
| I.—Revenue, | V.—Treasure, |
| II.—Shipping, | VI.—Passenger Traffic, |
| III.—Values, | VII.—Special, |
| IV.—Inland Transit, | |

but in the case of what may be called the five “major” ports—Dairen, Tientsin, Hankow, Shanghai, and Canton—the annual tables will in addition contain further expanded lists of imports and exports, so that their series will be—

- | | |
|---------------|--------------------------|
| I.—Revenue, | VI.—Inland Transit, |
| II.—Shipping, | VII.—Treasure, |
| III.—Values, | VIII.—Passenger Traffic, |
| IV.—Imports, | IX.—Special. |
| V.—Exports, | |

The Statistical Secretary will provide such new forms as may be necessary and will deal by Printed Note and despatch with the many points of detail which will arise in connexion with these changes.

4.—To secure the success of this new departure two factors are of vital moment—the prompt despatch of manuscript and the personal support and co-operation of the officers in charge of ports. Every effort will be made by the Statistical Department to print and issue the port pamphlets as soon as possible after receipt of the manuscript, and, while paying all due regard to careful preparation, it should be an ambition of the staff at each port to do its part in securing the issue of that port's Returns at the earliest date. The latest date for forwarding the statistics for each of the four quarters will remain, as before, the 15th day of the month next following, and this rule must be strictly observed; with some display of forethought and energy, it should not be difficult to anticipate that date in many instances. As regards the Annual Reports and Returns, owing, perhaps, partly to the claims of the Analysis of Trade and partly to the system of publication, preparation and issue have in recent years been often unduly delayed. In future it will be essential that the December quarter pamphlets, which will contain these Annual Reports and Returns, shall appear before those for the succeeding March quarter, and, while the statistics for the last quarter of the year must be despatched in advance by the 15th January as above laid down, the annual statistics, with—be

it noted—the Annual Report in English and Chinese, must be forwarded to the Statistical Secretary by the last day of February. However interesting a subject may be, if it cannot be dealt with in an Annual Report without delaying despatch beyond the due date, it must be ruthlessly excluded, and, generally speaking, the limits of length laid down in Printed Note No. 319 must be rigidly observed. Prompt despatch should also be kept in view when preparing the quarterly trade memoranda, and in particular it is of great importance that the memorandum for the December quarter should be sent to the Statistical Department together with the December quarter Returns on or before the 15th January, in order that the Statistical Secretary may be enabled to write his Annual Report without delay. I avail myself of this opportunity to call your attention to the question of the authorship of the Annual Reports. While a Commissioner will naturally and legitimately call on the resources of his staff for information on particular subjects, the Annual Report is to be substantially his own work and composition, and it is not admissible for him to remark in a concluding paragraph that he is indebted for its preparation to a member of his staff. At Shanghai alone may some relaxation of this rule be allowed.

5.—After all has been done that can be done to expedite publication there remain the steps to be taken to secure the widest circulation of the pamphlets amongst those in whose interests they are designed. The Statistical Secretary will shortly inform the Service of the proposed selling prices and will issue a short Memorandum in English and Chinese, explaining the new system of publication and its benefits, to be circulated among the various Chinese and foreign trading communities; subscriptions are thereupon to be invited, and when the pamphlets come to hand locally they are immediately to be distributed to subscribers and placed prominently on sale to the public at the Custom House. It is essential to the success of the scheme that distribution and sale should be treated in no perfunctory manner, and I look to all officers in charge to take an active interest in this undertaking.

6.—The Report on the Foreign Trade of China and Abstract of Statistics, and the Analysis of Trade, forming Parts I and III of the annual series, are unaffected by these changes, save that the latter—some development of which is in contemplation—will now become Part II.

7.—The subject of Returns issued daily or at short intervals, on which also Circular No. 2607 called for information, has been dealt with in correspondence with the ports, and a list of these

Returns as they are now issued follows for general information and record:—

Daily: at Newchwang, Tientsin, Hankow, Shanghai, and Canton.

Weekly: at Foochow.

Ten-day: at Dairen, Kiaochow, Changsha and Yochow, Nanking (arrangements not yet completed), Swatow, and Nanning.

Bi-monthly: at Chefoo.

Monthly: at Antung.

I am, etc.,

F. A. AGLEN,
Inspector General.

CIRCULAR No. 2997 (SECOND SERIES).

**Customs allowance: increased grant from 1st January 1920 notified;
all ports placed on office allowances to be drawn monthly
from revenue; instructions.**

INSPECTORATE GENERAL OF CUSTOMS,
PEKING, 7th January 1920.

SIR,

1.—In Circular No. 833* of 1898 will be found the last official announcement concerning the office allowance—the funds placed at the Inspector General's disposal by the Chinese Government for the maintenance of the Revenue Department of the Service. As you are aware, the increased allowance then authorised was granted for a special reason to provide a general increase in salaries which had been affected by the serious depreciation in silver that began in the year 1894. Since 1898 the steady growth of the Service has, of course, necessitated additions from time to time to the office allowance, but such funds as have been authorised have been more in the nature of grants for newly opened ports than of a general increase to meet the expansion of the whole Service. Indeed, at no time in the decade during which I have had charge has the allowance been sufficient to meet Account *A* expenditure. It has been necessary to fall back on subsidiary sources of income, and one very large item of expenditure—retiring allowances—has been

* *Antea*, vol. ii, p. 132. For details of growth of the Customs Allowance since 1861, *vide* footnote to I.G. Cir. No. 604, *antea*, vol. ii, p. 1.

exclusively a charge on Account *D*. I have never liked this state of affairs, because, being dependent on a more or less fluctuating source of income, I have felt hampered in giving effect to the various reforms that changing conditions have made desirable. By endeavouring to cut down unnecessary expenditure, by a closer investment of Service balances, and by insisting that newly opened ports must be adequately provided for, I was able, previous to the outbreak of war, to introduce a good many improvements of one kind or another; but many things I should have liked to undertake, such as better provision for retirement, have been delayed until the finances of the Service could be placed on a sounder footing. During the war I felt myself precluded from taking the matter up, and these years have unavoidably been a period of marking time. But the rearrangements almost immediately made necessary on the conclusion of peace, coinciding with an improved tariff and an increased revenue collection, have given me an opportunity of applying to the Government for an allowance sufficient, with such assistance as I feel may still legitimately be afforded by Account *D*, to place Account *A* on an independent basis. The Government, with its habitual generosity when a case has been made out, has been pleased to accede to my request, and, as you will see by the enclosed copy of Shui-wu Ch'u despatch No. 2004, which was handed to me on the 31st December last, the increased allowance is to take effect from the 1st January 1920.

2.—Advantage has been taken of the new arrangements to obviate as much as possible unnecessary movement of funds. Thus every port is now given an office allowance which will be drawn monthly from the revenue collection. The enclosed list gives the annual allowance allocated to each port, with the amount to be appropriated monthly. Special arrangements are being made for those ports whose revenue collection is insufficient, and they will be assisted by Inspectorate grants from Revenue Account; other ports which may at any time be short of the necessary revenue to meet their monthly quota will likewise be assisted on application, which should always be made in time to ensure the full grant being issued before the close of the quarter. Seeing that the port allowances have been fixed to allow of normal expansion, Commissioners will be careful to remit at the end of each quarter to my Service Account all available Account *A* balances.

I am, etc.,

F. A. AGLEN,
Inspector General.

ENCLOSURE No. 1.

稅務處令

案據總稅務司盈字第二三八號來呈以海關由洋稅項下撥支之經費嗣後每年須用關平銀六百萬兩請於向支關平銀四百三十五萬兩外再加撥關平銀一百三十五萬兩其餘關平銀三十萬兩仍在未列名各項銀內支用等因並附各關實用應用應提經費表及將來經費預算表各一件呈請鑒核前來當經本處照錄原呈及附表咨商財政部核辦聲明以海關現在情形觀之實有不能不增加經費之理由並以原呈所請自民國九年一月一日起加撥關平銀一百三十五萬兩如允照辦則八年度預算案內支款祇須加撥六個月

即自九年一月一日起至是年六月底止一半銀六十七萬五千兩至辦理九年度預算時再照全數加撥併請其酌核去訖茲准財政部咨復照准支配應用相應令行總稅務司查照即將前項由洋稅項下加撥之海關經費關平銀一百三十五萬兩自民國九年一月一日起至是年六月底止先按半數開支俟辦理九年度預算時再按全數列入預算可也此令 中華民國八年十二月三十一日

ENCLOSURE No. 2.

LIST OF PORT ANNUAL ALLOWANCES, WITH
AMOUNTS TO BE APPROPRIATED
MONTHLY FROM REVENUE.

PORT.	ANNUALLY.	MONTHLY.
	<i>Hk. Tls.</i>	<i>Hk. Tls.</i>
Harbin and District	261,000.00	21,750.00
Hunchun	48,000.00	4,000.00
Lungchingsun.		
Antung	108,000.00	9,000.00
Tatungkow		
Dairen	132,000.00	11,000.00
Moukden	96,000.00	8,000.00
Newchwang		
Chinwangtao	30,000.00	2,500.00
Tientsin	210,000.00	17,500.00
Lungkow	24,000.00	2,000.00
Chefoo	84,000.00	7,000.00
Kiaochow	144,000.00	12,000.00
Chungking	54,000.00	4,500.00
Wanhsien	15,000.00	1,250.00
Ichang	54,000.00	4,500.00
Shasi	30,000.00	2,500.00
Changsha	54,000.00	4,500.00
Yochow	30,000.00	2,500.00
Hankow	240,000.00	20,000.00
Kiukiang	84,000.00	7,000.00
Wuhu	84,000.00	7,000.00
Nanking	84,000.00	7,000.00
Chinkiang	78,000.00	6,500.00
Shanghai	1,200,000.00	100,000.00
Soochow	48,000.00	4,000.00
Hangchow	60,000.00	5,000.00
Kashing		
Ningpo	72,000.00	6,000.00
Wenchow	30,000.00	2,500.00
Santuaao	24,000.00	2,000.00

PORT.	ANNUALLY.	MONTHLY.
	<i>Hk.Tls.</i>	<i>Hk.Tls.</i>
Foochow	120,000.00	10,000.00
Amoy	108,000.00	9,000.00
Swatow	120,000.00	10,000.00
Canton	351,000.00	29,250.00
Kowloon	300,000.00	25,000.00
Lappa	144,000.00	12,000.00
Kongmoon	60,000.00	5,000.00
Samshui	36,000.00	3,000.00
Wuchow	84,000.00	7,000.00
Nanning	24,000.00	2,000.00
Kiungchow	54,000.00	4,500.00
Pakhoi	36,000.00	3,000.00
Lungchow	18,000.00	1,500.00
Mengtsz and District	72,000.00	6,000.00
Szernao	15,000.00	1,250.00
Tengyueh	30,000.00	2,500.00

CIRCULAR No. 2998 (SECOND SERIES).

Non-Treaty Powers, subjects and citizens of: native goods exported and imported coastwise by: General Tariff of 1858 to be applied; Transit Certificates (*Sanlientan*) not issuable to.

INSPECTORATE GENERAL OF CUSTOMS,
PEKING, 19th January 1920.

SIR,

I append, for your information and guidance, copy of Shui-wu Ch'u despatch No. 47, from which you will see that the General Tariff of 1858 is to be used for all native goods exported—and imported coastwise,—whether they are applied for by the subjects or citizens of Treaty Powers or by those of non-Treaty Powers; the subjects or citizens of non-Treaty Powers, however, are not allowed to take out Transit Certificates (*Sanlientan*) for the purchase of native goods in the interior of China.

A list of the Powers with whom China has treaty relations is appended.

I am, etc.,

F. A. AGLEN,
Inspector General.

ENCLOSURE No. 1.

稅務處令

前據總稅司函據滬關稅務司呈稱據德商 Wilhelm Pfeng 函稱現擬將中國土貨報運出口前往德國未
諗敝商以德國國民之資格能否報關請運其應完稅項較諸有約國國民所報運者有無區別等語應如
何答復之處理合呈請核示等情總稅務司查該商所詢各節祇關於報運土貨出口問題竊以爲如果增
加其出口稅率並非中國之利益嗣後凡無約國人民報運貨物出口者似可准予按照咸豐八年稅則徵
稅放行是否有當理合備函呈請鑒核示遵等情當經本處以國定關稅條例自係對於進口貨物而設至
於出口貨物應不論其爲有約國人民所運抑無約國人民所運一律按照咸豐八年稅則徵稅無庸區別
但無約人民須遵照僑居境內無約國人民課稅章程第三條不得以三聯單入內地採買土貨如此辦理
是否同意等語咨請財政部酌核去後茲准財政部咨復稱查土貨以獎勵輸出爲原則無論爲有約國人
民抑爲無約國人民報運出口自應一律按照咸豐八年稅則徵稅至無約國人民不得以三聯單入內地
採買土貨前經本部於呈准公布之僑居境內無約國人民課稅章程內業經規定所擬遵照該章程辦理

一節本部極表贊同應咨請查照辦理等因前來本處復查前項辦法既准財政部咨復同意自應令關遵辦除分行外相應抄錄僑居境內無約國人民課稅章程一份令行總稅務司查照轉令各關稅務司遵照辦理可也此令

中華民國九年一月十三日

第四七號

僑居境內無約國人民課稅簡章

第一條 無約國人民運貨進口應遵照國定關稅條例完納海關稅課

第二條 無約國人民運貨入中國內地銷售時應照章完納內地一切稅釐雜捐不得在海關請領子口單

第三條 無約國人民不得以三聯單入內地採買土貨

第四條 無約國人民在內地運貨不得享受免稅及機製洋貨運單之利益

第五條 無約國人民不得在內地充當牙紀

隨第四七號

ENCLOSURE No. 2.

La Belgique	比 國
Le Chili	智 利 國
Le Danemark	丹 馬 國
L'Espagne	日 斯 巴 尼 亞 國
Les États-Unis d'Amérique	美 國
Les États-Unis du Brésil	巴 西 國
Les États-Unis du Mexique	墨 西 哥 國
L'État Indépendant du Congo . .	岡 果 自 主 國
La France	法 國
La Grande Bretagne	英 國
L'Italie	義 國
Le Japon	日 本 國
La Norvège	那 噠 國
Les Pays-Bas	和 國
Le Pérou	秘 魯 國
Le Portugal	葡 國
La Russie	俄 國
La Suède	瑞 典 國
La Suisse	瑞 士 國

CIRCULAR No. 3001 (SECOND SERIES).

**Re-export cargo from Shanghai to treaty ports, Dairen, and
Kiaochow: to be covered by duplicate Re-export
Applications in lieu of Cargo Certificates.**

INSPECTORATE GENERAL OF CUSTOMS,
PEKING, 29th January 1920.

SIR,

In order to expedite work in the General Office of the Shanghai Customs as well as to allow shippers to pass in advance Re-export Applications for the treaty ports of China, Dairen, and Kiaochow, the Shanghai Commissioner has been authorised to introduce provisionally certain modifications of Customs re-export procedure at Shanghai from the 24th February 1920. As a main part of the new procedure, Re-export Applications for cargo shipped to river and coast ports, including Dairen and Kiaochow but excluding Hongkong, will be presented by shippers in duplicate, and I have now to inform you that in future re-export cargo will not be entered on Shanghai Cargo Certificates, but that the duplicate Applications covering it will be forwarded instead to the ports concerned. The change has many advantages to recommend it, but merchants have expressed the fear that the introduction of duplicate Applications in lieu of Cargo Certificates may lead them more frequently into trouble with the Customs at the port of destination, as such irregularities as the shipment of cases bearing correct marks but incorrect numbers, etc., will be easily discovered at destination when the goods are checked with an exact copy of the Re-export Application. Cases of intentional fraud will no doubt be more easily brought to light, but it was not my intention in authorising the new procedure that we should avail ourselves of it in order to subject re-export cargo to more rigorous treatment at ports of destination than formerly. I have therefore to instruct you, in dealing with cases of discrepancy brought to your notice, to bear this in mind and to make such allowances as you can with due regard to existing instructions concerning the treatment of re-export cargo.

Appended to this Circular you will find a copy of Shanghai Notification No. 935 and of the Commissioner's Office Order issued in this connexion.

I am, etc.,

F. A. AGLEN,
Inspector General.

ENCLOSURE No. 1.

NOTIFICATION No. 935.

The public is notified that in order to expedite work and allow shippers to pass through the General Office Re-export Applications for the treaty ports of China in advance, the following modifications of Customs procedure will be introduced from the 24th February 1920, *i.e.*, on the reopening of the Custom House after China New Year holidays:—

1. All Re-export Applications for cargo shipped to river and coast ports (including Dairen and Tsingtau but excluding Hongkong) are to be presented *in duplicate*. No press-copies will be accepted, but only copies properly written in ink or carbon copies of *type-written* Applications.
2. In order to allow for the additional time required for the writing of two copies, Re-export Applications will be accepted daily until 2 p.m., with the exception of Applications for cargo shipped to Dairen and Tsingtau. This cargo being subject to examination, Re-export Applications to these ports will only be accepted, as heretofore, until noon.
3. Applications to re-export cargo to all the above-mentioned ports may be presented at the General Office previous to the arrival of the steamer concerned and without actually bringing the cargo to the wharf. The Applications (in duplicate) may be presented as soon as agents can produce a telegram to say that the steamer has left her last port or, in the case of river steamers, Hankow; or if they receive no telegram, three days before the specified sailing date.
4. In order to obtain this privilege it will be necessary for steamer agents to hand in an application for a number in advance, stating the date on which the steamer is to sail and the wharf at which she is to load. Steamers on the Ningpo run will be granted a number on the day on which they leave Ningpo for the return trip to Shanghai.

5. When examination is necessary, it will take place only when the steamer is moored at her prescribed berth ready to load. Shippers are reminded that exports and re-exports cannot be presented for examination after 2 p.m.
6. The above procedure is provisional and subject to modification in case improvement is found desirable.

L. A. LYALL,*

Commissioner of Customs.

ENCLOSURE No. 2.

ORDER.

The Inspector General has authorised the following changes in General Office practice to take effect on the reopening of the Custom House after the China New Year holidays, *i.e.*, from the 24th February 1920.

I.—RE-EXPORT APPLICATIONS.

1. *Duplicate Applications.*—All Re-export Applications for cargo shipped to river and coast ports (including Dairen and Tsingtau but excluding Hongkong) are to be presented in duplicate by the

* Leonard Arthur Lyall was born on the 28th July 1867 in London, and joined the Customs Service as 4th Assistant, B, on the 18th October 1886. After six months study of Chinese at Peking he served in various capacities at Wuhu, Swatow, Takow, Shanghai (three times), Hangchow, Nanking, Shasi, Dairen, and Szemao before returning to Peking in November 1911 as Assistant Chinese Secretary. He was promoted Deputy Commissioner on the 1st April 1912 and Commissioner (Chinese Secretary) on the 1st November 1913. Lyall served as Commissioner at Shanghai on two occasions, from April 1919 to October 1920 and from September 1922 to October 1925. He was three times appointed Vice-President of the Chinese Commission for Tariff Revision: in November 1917 for the Commission which sat all through 1918; in February 1922 for the Commission which sat from March to September that year; and in September 1926 for the abortive Commission for the Compilation of Values. He retired from the Service on the 31st May 1927, and accepted a post as assessor on the Opium Advisory Committee of the League of Nations, a post which he filled with so much distinction that he was subsequently appointed Chairman of the Committee. Lyall has translated the analects of Confucius under the title "The Sayings of Confucius" (2nd Edition), London, 1925, also the works of "Mencius," London, 1932, and is the author of the volume "China" in the Modern World series, London, 1934. Lyall holds Civil Rank of the 4th Class; the Order of the Chia Ho, 3rd Class; 3rd Class Pao Kuang; and 2nd Class Pao Kuang.

applicants. No press-copies are to be accepted, but only copies properly written in ink or carbon copies on stout paper of type-written Applications.

2. *Cargo Certificates*.—With the introduction of these duplicate Applications the entry of re-exports on Cargo Certificates will be discontinued. Cargo Certificates will continue to be made out for exports and transhipments only. The duplicates of the Re-export Applications will be sent to the port of destination, and an entry is to be made on the Cargo Certificates giving the number of these Applications enclosed.

3. *Checking of Duplicate Applications*.—When the Re-export Applications are presented in duplicate, they will first of all have to be compared, each duplicate with its original, to verify that they are identical. Clerks who are at present employed to write out Cargo Certificates will be detailed for this work of comparison and will initial both copies of each Application checked by them. Both copies will then be sent to the Drawback Desk and will follow the course at present followed by the single Application. The only difference will be that at the point where the Applications are now entered on the Cargo Certificates the original will be sent instead to the Verifying Desks, Pass Office, etc., and the duplicate will be sent directly to the Clearance Desk to be checked in due course with the Export Manifest and be eventually put, together with the other documents, in the ship's cover which goes to the port of destination.

4. *Examination*.—When examination is required, the original of the Application (with Pass and one-half of the Shipping Order attached) is to be sent to the wharf concerned in the usual way, the other half of the Shipping Order being handed to the applicant. The duplicate of the Application will be sent direct to the Clearance Desk to follow the course already prescribed. If on examination the cargo is found to be in order, the Examiner will release it for shipment; otherwise he will detain it and refer the case back to the Drawback Desk. When this happens, if the case is settled before the steamer clears, the necessary alterations will be made on the duplicate copy. If the steamer clears before the case is settled, the cargo will be shut out and the duplicate copy will be withdrawn by the Boat Officer on duty (*vide* Rule 6).

5. *Time Limit*.—In order to allow for the additional time required for the writing of two copies, Re-export Applications will be accepted daily up to 2 p.m. Arrangements must therefore be made by the desks concerned to remain open to the public without the interruption now allowed during the tiffin hour. The time

limit for presenting Applications for cargo destined for Dairen and Tsingtau will, however, remain 12 o'clock as heretofore, the said cargo being subject to examination.

6. *Shut-out Cargo*.—When the whole lot on a Re-export Application is shut out, the officer on duty will withdraw the duplicate Application and accompanying documents and return them to the General Office with his Shut-out Memorandum. He will also note on the Cargo Certificate the number of Applications withdrawn. When only part of a lot is shut out, he will note the quantity on the duplicate Application (instead of on the Cargo Certificate as heretofore) and will forward the said Application on to destination.

II.—PASSING OF RE-EXPORTS IN ADVANCE.

1. *Presentation of Applications*.—Applications to re-export cargo to river and coast ports (including Dairen and Tsingtau but excluding Hongkong) may be accepted by the General Office previous to the arrival of the steamer concerned and without actually having the cargo brought to the wharf. The Applications (in duplicate) may be accepted as soon as the said steamer has been entered by the agents as stated below.

2. *Entry of Steamers in Advance*.—Steamer agents are permitted to hand in an application for a number in advance (for re-exports and transshipments only) as soon as they can produce a telegram to say that the vessel has left her last port or, in the case of river steamers, Hankow, or, if they receive no telegram, three days before the specified sailing date. Steamers on the Ningpo run are to be given a number on the day on which they leave Ningpo for the return trip to Shanghai. Steamer agents must state on their application for a number the date on which the steamer is to sail and the wharf at which she is to load.

3. *Examination of Re-exports*.—When examination is required, it will take place only when the steamer is moored at her prescribed berth ready to load. The Applications, however, are to be sent to the wharf concerned as soon as they have been passed by the Drawback Desk, and the Examiners will keep them until the cargo is presented for examination.

III.—SPEEDY RETURN OF PASSES TO APPLICANTS.

When a merchant in handing in a Re-export Application with accompanying Pass makes a request for the speedy return of the Pass, so that he may ship another lot of cargo covered by the said

document at an early date (*i.e.*, within three days), a corner of the Pass is to be turned down by the Assistant at the Drawback Desk and it is to be marked with a "W" (*i.e.*, "Waiting"). The Pass Office will give precedence to Passes marked with a "W" and return them to the applicant with the least delay possible. The "W" should be cancelled before returning the Pass, so that it may not be made use of again, a new "W" being required on each occasion. Care is to be taken that such requests on the part of merchants are *bona fide*, and the public should be made to understand that any undue abuse of this special privilege may cause its withdrawal.

L. A. LYALL,
Commissioner.

CIRCULAR No. 3006 (SECOND SERIES).

**Staff: superannuation and retirement scheme; introduction of,
from 1st January 1920, notified.**

INSPECTORATE GENERAL OF CUSTOMS,
PEKING, 20th February 1920.

SIR,

1.—In placing before the Service the superannuation and retirement scheme, which in its main outlines has been submitted to the Shui-wu Ch'u and received the Ministers' approval, a few words of introduction may not be inappropriate. During the early years of the Service there does not appear to have been any very insistent demand from the Staff for a pension, and in the circumstances the need for a regular system of withdrawal had naturally not assumed importance. As you are probably aware, the question of provision for retirement was gone into very thoroughly in the early seventies, and the system of retiring allowances was adopted. Until rather more than 20 years ago, generally speaking, during the period that preceded the great drop in the value of silver, the retiring allowance system seems to have given satisfaction and to have proved adequate. Retiring allowances offered many advantages both to the recipients and to the administration, and certain disadvantages, inherent in the system, which

changing conditions in China and the increasing age of the Service accentuated, had not become prominent. During the last 20 years, however, it has been increasingly felt that the retiring allowance, as the sole Service provision for retirement, had broken down. From the recipients' point of view it did not provide adequately for retirement in a large majority of cases, while from the point of view of the administration it did not justify compulsory withdrawal within a reasonable age limit.

In the 10 years of my tenure of charge the question of a pension with its corollary compulsory superannuation has been constantly before me. Many schemes were submitted from time to time, but I was reluctantly obliged to put them all aside. Some involved the creation of an elaborate trust, others the maintaining of a perpetual Pension List on Unattached List lines, in many the withdrawal of the retiring allowance was an essential feature, while, of course, all demanded the securing of the necessary funds before the question could be seriously approached. I am indebted to the framers for many valuable hints, which I gladly acknowledge, and I would like to assure them that their work has not been wasted.

2.—In considering the problem I set before myself six conditions which must be fulfilled before I could undertake the responsibility of establishing a pension, namely—

- 1°. Financial practicability must be assured.
- 2°. The Service benefit must take the form of a pension and not the form of a sum in cash to be handed to the employé on withdrawal.
- 3°. The retiring allowance must not be withdrawn.
- 4°. Service responsibility towards an employé must cease absolutely on withdrawal.
- 5°. The scheme must be of such a nature as to promote individual thrift.
- 6°. The scheme must provide for differential treatment between present members—more especially old hands on whom it would take more immediate effect—and new entrants, but so that it would be fair to all.

Having assured the financial practicability of the scheme by the arrangements I have at last been able to make for the repayment of the Postal debt and by the increased office allowance recently announced, I will now proceed to state it in the form in which it

was submitted to the Shui-wu Ch'u. The credit for its elaboration is due to Mr. Commissioner G. F. H. Acheson,* who worked for many months upon it in consultation with myself.

3.—The scheme is designed—

- 1°. To promote Service efficiency by the superannuation of seniors;
- 2°. To make further pecuniary provision for those who are thus superannuated; and
- 3°. To make further pecuniary provision for employé's invalided and for the families of employé's deceased.

To attain these ends it is proposed—

- 1°. That all foreign employé's shall be compulsorily superannuated on attaining the age of 60 years; and all Chinese In-door employé's on completing 40 years' service;
- 2°. That on superannuation a foreign employé entitled to the full benefits of the scheme shall be provided with—

(a.) An annuity in gold from Service funds equal to one-fourth of his final salary at exchange 3s. 4d., and

(b.) A sum in silver derived from previous compulsory deductions from his pay and approximately equivalent to the capital required to purchase a further annuity of equal amount:

* Guy Francis Hamilton Acheson was born on the 16th December 1863 at Gosport, England. After graduating from Oxford in 1886 he joined the Customs Service as a 4th Assistant, B, on the 1st June 1888, and was first stationed at Peking, where he remained till the 31st October 1893 studying the language and acting as private secretary to the Inspector General. He subsequently served at Canton for nearly two years, at the London Office for two years, at Shanghai for four and a half years, at Soochow, where he was Acting Deputy Commissioner in charge of the likin collectorate, for four years, at Chungking as Acting Commissioner for two years, and at Santuao in the same capacity for three years. He was promoted Deputy Commissioner on the 1st June 1911, and on the 1st October 1914 was again transferred to Peking, this time as Assistant Staff and Private Secretary. He remained at Peking till the 31st December 1919, serving most of the time in the Staff and the Chinese secretariats, but during the last eight months of 1919 was on special duty working out the details of the staff superannuation and retirement scheme, a task in which he received much assistance from the late Mr. W. MacDonald, then Commissioner at Samshui. He had been promoted Commissioner on the 1st October 1915. The last three years of Acheson's Service career were spent in the London Office as Non-Resident Secretary, from which he retired on the 21st January 1924. He was subsequently appointed foreign Co-Director of the Customs College, a post which he held till his death on the 8th December 1924. Acheson held Civil Rank of the 5th and the 4th Classes, and the Order of the Chia Ho, 4th and 3rd Classes.

and that on superannuation a Chinese employé entitled to the full benefits of the scheme shall be provided with—

A sum in silver approximately equivalent to the capital required to purchase an annuity in silver equal to one-half of his final salary, to be derived half from Service funds and half from previous compulsory deductions from his pay.

- 3°. That an employé invalided shall receive similar treatment with *pro rata* deductions in respect of his shorter period of service; and that the family of an employé deceased shall receive whatever sum may have accrued from the compulsory deductions from the pay of that employé.

This being the scheme in general outline, it is proposed to apply it in detail as follows.

Superannuation.—While the general rule will be that superannuation will be compulsory for foreign and Chinese employés on attaining age 60 and completing 40 years' service respectively, the Inspector General reserves the power to suspend this rule when in his opinion its operation in any particular case would be detrimental to Service interests. 40 years' service in the case of foreign In-door employés and 35 years' service in the case of foreign Out-door, Coast, Marine, and Works employés will entitle to the full annuity benefit, but this benefit will be diminished by one-fortieth and one thirty-fifth respectively for each year short-served. Superannuation benefits and deductions from pay will be based on rates of substantive pay, but monthly substantive pay in excess of *Hk.Tls.* 1,000 will not entitle to increased benefit or call for increased deduction. Deduction from pay will be compulsory for future Service entrants and optional for the present Staff, but present employés who do not desire to come under the contributory scheme will on superannuation receive only the Service annuity benefit. As regards the annuity of one-fourth salary in gold derived from Service funds, the Service will not be liable in excess of the sum necessary to obtain an annuity of that amount in accordance with a table based on the rates of annuity granted by the British Government before the war: with this limitation it shall be open to the employé to select the office from which he desires his annuity to be purchased. As compensation for the introduction of compulsory withdrawal, the Service will make good whatever is lacking in their contributions to those present employés who elect to come under

the contributory scheme. Monthly deductions from pay at certain fixed rates will forthwith be made in the case of the present employés who elect to come under the scheme. While the rates of the contributions to be made from pay and the assumed rate of interest to be credited to those contributions will be so assessed as to yield approximately at maturity such amounts of capital as will suffice to purchase annuities of one-fourth of final salaries, the Service will not in any case guarantee that result. In the case of future entrants it will only undertake to hand over on superannuation the capital contributed *plus* such interest compounded half-yearly as that capital shall actually be found to have earned: in the case, however, of present employés the Service make-up shall suffice to make good the amount which would purchase the one-fourth salary annuity, but it shall not exceed that amount. Deductions to be made in respect of years short-served will apply both to the annuity from Service funds and the Service make-up to contributions from pay.

Invaliding.—Any employé may be invalided with the benefits of this scheme who is found by a medical board convened by the Inspector General to be unfit for further Customs duty; but otherwise no employé shall be entitled to those benefits should he withdraw from the Service voluntarily on the score of ill health.

Decease.—The family of a present employé deceased will receive the sum accrued from the compulsory deductions from the pay of that employé *plus* such a Service make-up as will with that sum suffice to purchase an annuity of one-fourth final salary less deduction for years short-served at age of deceased.

Resignation.—On the voluntary withdrawal of an employé his contributions from pay with accrued interest will in all cases be refunded to him, but he will receive no Service benefit.

Discharge, Dismissal, etc.—On the enforced withdrawal of an employé otherwise than by superannuation his contributions from pay with accrued interest will in all cases be refunded to him, but should the revenue or the Service funds have sustained any loss owing to dishonesty, malfeasance, etc., on his part, the amount of such loss shall be deducted. The issue of any Service benefit in cases of enforced withdrawal will be at the discretion of the Inspector General.

The above provisions will apply to all Customs employés, save that, in the case of those whose names do not appear in the "Service List," there will be no compulsory deduction from pay and that consequently on superannuation those employés will be entitled only

to such sums in silver from Service funds as will be approximately equivalent to the capital required to purchase annuities in silver equal to one-fourth of their final salaries.

4.—You will see that the scheme thus outlined fulfils the essential conditions enumerated above. One of the chief difficulties in introducing any kind of pension in a Service of long standing is to reconcile the conflicting interests and divergent standpoints of seniors and juniors, and present and future employés, and one of the chief reasons why a number of the schemes hitherto proposed failed to commend themselves was because they did not succeed in overcoming this difficulty. The scheme now adopted, applying in full force to new entrants, is modified in favour of present employés in a degree which varies with their length of service. For new entrants contribution of pay is compulsory; for the present Staff it is optional, but the advantage derived from the Service “make-up” constantly increases with seniority until it practically takes the place of personal contributions in the case of those whose superannuation is imminent. Thus it cannot be said that juniors and new-comers will receive less in order that seniors may be given more: they will receive the full benefits contemplated by the scheme; but those who are more senior will receive additionally a “bonus” which will vary in amount with the length of their service under the old conditions. Justification is to be found for this exceptional treatment in the circumstances in which the older employés have passed their Service careers, and I feel convinced that the juniors, for whom conditions have been and are being improved, will not grudge the consideration now shown to those who have suffered during the “lean years”—consideration, in which they will themselves participate to a greater or less degree, shown to men by whose disappearance from the list they too will benefit. In other respects the scheme, of course, is open to criticism—it could hardly in the circumstances be otherwise. As various modifications will no doubt be advocated, I think it well to deal in advance with some of the criticism which can most easily be foreseen. This will perhaps be directed against the payment of the Service benefit in the form of an annuity and the absence of a Service benefit in cases of death or early voluntary retirement. Apart from the fact that what the Service has been constantly demanding is a pension and that without infringement of one of the conditions which I regard as essential an annuity is the only form in which a pension can be granted, criticism of this nature arises in great part from misconception of the object and nature of a Service benefit. It is a provision not for the families of employés, but for the employés whose duty it is to provide for their families

themselves; and it is paid in the form of an annuity to ensure so far as possible against loss and consequent distress in old age. The system of retiring allowances fails of itself to achieve its ends, not only because those allowances are in themselves insufficient in amount, but even more because, being issued in lump sums in cash, they are insufficiently safeguarded. If a certain increase in Service expenditure result owing to the system of issuing the annuities through public companies, it is an increase that I consider to be rightly incurred in the belief that annuities rather than cash payments are in the best interests of the majority of the Staff. On the other hand, to grant a Service benefit which would promote early retirement is contrary to the interests of the Service. If an employé wishes at any time to resign he can do so and by Service rules and the present scheme he will receive retiring allowance to date and the return of his contributions from pay with accrued interest, but the Service does not exist to be made use of as a convenient stepping stone to other employment.

5.—In regard to the annuities in gold to be purchased on behalf of an employé at Service cost a word of explanation is desirable. The amount the Service undertakes to expend in purchase of the annuity issuable in the terms of the rule, *i.e.*, one-fourth of final salary at exchange 3s. 4d., will be calculated according to the rates charged by the British Government for immediate life annuities when the average price of £100 of $2\frac{1}{2}$ per cent. Consolidated Stock is £91 or between £91 and £95, in other words, according to pre-war rates. The appended table shows the annuity at various ages from 60 to 72 years payable for sums of £100 sterling, and it is according to this table that the sums chargeable to the Service for purchase of annuities issuable under the scheme will be calculated. At present price of $2\frac{1}{2}$ per cent. Consolidated Stock the immediate annuity granted by the British Government per £100 sterling payment is £9 16s. For purposes of comparison a second table is appended, showing the annuity at age 60 payable by the leading British insurance companies for each £100 sterling expended, according to the latest information in my possession. The yield shows a considerable advance on pre-war rates and is approximately 15 per cent. in favour of the annuitant.

6.—The amount to be deducted from the substantive pay of those present employés who elect to make voluntary contribution, and of all new entrants, has been fixed tentatively at 6 per cent. Experience will show how far this forecast is accurate, and it may later on have to be modified. It is to be noted that no present

employé is compelled to contribute, but it will of course be understood that those who do not do so will not be entitled to the benefit of the "make-up" from Service funds. Service contributions will be invested in Chinese Government loans, conservancy loans, and other obligations directly secured on the Maritime Customs revenue, in foreign municipal debentures, and in deposits with foreign banks of standing. One of the first requirements that the ports will have to attend to will be to supply me with a list of all present employés who decide not to contribute. Later Circulars will deal with this and other matters of detail.

7.—The scheme will take effect as from 1st January 1920, although withdrawal under it will not be called for before 1st April 1921. As it stands it will form part of the Service rules, but it is of course liable to modification if without infringement of any of its basic principles the finances are found to allow of more favourable treatment. One modification I hope it will in any case be possible to introduce later on, permitting voluntary withdrawal at the age of 55 with *pro rata* benefit.

In the last Enclosure to this Circular will be found copy of my despatch No. 281 to the Shui-wu Ch'u submitting my proposals and the Board's reply approving of them.

Commissioners are requested to see that every member of the Staff whose name is borne on the "Service List" receives a copy of this Circular and that the principles of the scheme are understood.

I am, etc.,

F. A. AGLEN,
Inspector General.

ENCLOSURE No. 1.

TABLE OF IMMEDIATE LIFE ANNUITIES GRANTED BY THE BRITISH GOVERNMENT WHEN THE AVERAGE PRICE OF £100 OF $2\frac{1}{2}$ PER CENT. CONSOLIDATED STOCK IS £91 OR BETWEEN £91 AND £95.

According to this table sums of £100 will purchase immediate life annuities at various ages from 60 to 72 years as follows:—

AGE.	AMOUNT OF ANNUITY.		
	£	s.	d.
60	8	10	1
61	8	15	$7\frac{1}{2}$
62	9	1	$6\frac{1}{2}$
63	9	7	$9\frac{1}{2}$
64	9	14	5
65	10	1	6
66	10	8	$11\frac{1}{2}$
67	10	17	0
68	11	5	7
69	11	14	7
70	12	4	$3\frac{1}{2}$
71	12	14	6
72	13	5	6

ENCLOSURE No. 2.

AGE 60: ANNUITIES PAYABLE, HALF-YEARLY, BY
LEADING BRITISH INSURANCE COMPANIES
FOR EACH £100 PAID, AT 1919 RATES.

COMPANY.	ANNUITY FOR EACH £100 PAID.
	<i>£ s. d.</i>
London Life	9 18 4
North British and Mercantile ..	9 13 6
Sun Life of Canada	9 12 7
Northern	9 12 2
Century	9 9 10
Scottish Widows	9 7 0
London Assurance	9 6 4
Standard Life	9 3 4
Guardian	9 3 4

ENCLOSURE No. 3.

總稅務司呈 稅務處

呈爲籌擬關員退職年限並給發養老金各辦法呈請

鑒核事竊查中國海關待遇人員辦法原取模範於外洋諸國文職各機關惟有一層與彼不同之處卽係中國海關從來未有人員已滿預定年齡強制退職之規定是也當海關創設伊始尙未多歷年所時有無此種規定並無甚重之關係但現在海關創設已歷七十餘年之久所有籌設一項規則以便強令年老人員退職出關實爲目前當務之急在總稅務司以爲現因海關並無強制年老人員退職之規定以致妨碍海關功效之處其最關重要者厥有兩端蓋就此一方面而論年老人員已經涖躋所屬各班內最高俸級者自然願以最高薪俸久留其任冀與此身相終始此等人員雖因行年業及衰齡服務時已無奏功之能力但仍不肯自行辭退以致海關功效因之以減此其一也就彼一方面而論青年人員目覩其將來所能升至最高之地位皆被多數年老人員佔踞壅塞且知此等年老人員終身不肯辭職離任又見各員之升階因有上項情形不能不甚爲遲緩是以一般青年人員往往有陷於失意之境者其平日既懷缺望則服務時自亦難收圓滿之功此其二也今再設身處地爲年老人設想大凡奉職於政府機關之人皆望於年至頽齡引退之時享有足以頤養餘年之貲財俾可樂其桑榆暮景優游歲月此固自然之理也夷考泰西諸

國政府皆認此種老吏之希望具有理由所以對於官吏中退職人員皆由國家發給終身年金以資體恤其所發金額或爲該員實俸二分之一或爲四分之三不等至考中國海關則並無發給養老年金之規定所有海關給發之酬勞費一項其本意原以替代養老金爲宗旨但按現時人生日用諸費如此騰貴所有此項酬勞費縱令用意存儲或作投資事業生息等款至退職時仍不能積成可恃生活之基金何況按照關員普通光景大半皆因急用所迫勢不能不將所領之酬勞費全行耗去此項光景在西歷一千八百九十六年至一千九百十六年銀價甚賤之時尤爲實在之情形溯查近十年來各等關員迭經催請籌設養老金一類之規定而在總稅務司亦爲增進海關功效起見時刻焦思究應如何籌定一項強制退職辦法並能對於海關各方面亦可以示持平之處至今籌思已久現值總稅務司已與郵政當局商酌妥帖可將郵政所欠海關之款分批付還總稅務司乘此時機正可以此進款作爲基礎俾得籌訂一項關於上列各事之實行辦法此項辦法諒與關員請設養老金之望既庶幾可以相符而於強制退職一層亦可實行規定惟在將此辦法各條件通令關員遵照以前理合將所擬辦法繕具一份備文呈請鈞處鑒查先將此中大概規模予以核准以便詳酌施行謹呈 中華民國八年十二月五日

擬訂海關人員強制退職暨養老金以及強制儲金辦法

緒言

第一條 此項辦法係爲下列三項目的所擬訂

一爲所有海關人員至預定年限時強制退職騰出升進之階級藉以增進海關之功效

二爲對於此項退職人員予以資助俾暮年得有養贍

三爲關員設因身體衰弱不勝職務令其退職者亦予以資助若或在職身故之關員其遺族亦予以資助

強制退職

第二條 凡洋員年滿六十歲華員在職已滿四十年者均應強制退職

第三條 如有不可少之人員總稅務司以爲如令其退職礙及海關之公益總稅務司可有暫停實行第二條辦法之權

第四條 凡關員由總稅務司召集醫生診察會診斷身體衰弱不勝職務者亦令退職

養老金辦法

第五條 凡華員按第二條規定強制退職者及內班洋員在職已滿四十年外班巡緝科暨海政局工程局洋員在職已滿三十五年者按第二條規定強制退職時均可享有本辦法所定全部養老金之利益其洋員在職未

滿以上年數者每少一年應在享有之款內扣四十或三十五分之一照此類推

第六條 凡洋員強制退職時其在職已滿第五條所定年數者享受養老年金如下

由關款享受一項金款之終身年金之利益其核算此項年金之法將末陞年俸按關平銀一兩合英金三西林四本土之定率核兌金款以其四分之一為按年應受之數惟海關只能擔任設在歐戰以前由英國政府購買此項年金時應需之基金為限計算此項基金之法係按戰前英國政府所訂年金計算率由海關另編一表作為計算此項基金之標準至所擬實在辦法海關將此項基金向該員所擇之某國某機關或某公司代購終身年金而不保其所得年金實數之多寡

第七條 凡華員按照第二條規定強制退職時享受養老金如下

由關款享受一次銀款養老金此項銀款以約足敷購買末陞年俸四分之一之終身銀款年金為準

第八條 凡華洋關員按第四條之規定因身體衰弱不勝職務強制退職者亦可享受第六七條所載養老金之利益惟因其在職未滿第二五條所定之年數應按年月比例扣算

其自請因病告退者即不准享受本條之利益

第九條 本辦法所定養老金之利益均按實缺之薪金計算惟該員實缺之月薪逾於關平銀一千兩者則應得之養老金不能將千兩以外之薪數加入計算

強制儲金辦法

第十條 華洋各員嗣後新入關者均由月俸內提出一定之數托由海關代爲存儲生息至該員因左列情事之

一退職時將本利全數一併付還加以由關款發給養老金以備退職後養贍之用

一按第二條規定限滿強制退職

二按第四條規定因身體衰弱不勝職務強制退職

三自請告退

此項自請告退之人員不准享受由關款發給之養老金

四免職革職等由出關

凡關員除因身體衰弱或已滿年限強制退職外如因他故強制出關其每月所提之資暨其所生利息一併隨案發付惟因該員自欠廉潔或舞弊之故對於海關稅課或關款致有損失所有損失之數應行扣抵此項關員被免被革

之案可否由關款酌量給予利益之處即由總稅務司隨案核定

第十一條 關員身故時此項儲金本息實數向該員遺族發付

第十二條 至於按月提出之數暨預定之利息本以年滿時本利合算約可購得與第六七條所載者同額之年

金爲標準惟海關並不能擔保其確可得此實效關於此後入關人員海關只能保其強制退職時將其所提之

資暨每半年結帳一次滾算實得之利息一併付還

第十三條 所有按月提出之款均按該員實薪計算惟該員實薪月額逾於關平銀一千兩者不將千兩以外之

數加入計算

優待舊有人員特別辦法

第十四條 以上按月強制提金辦法對於嗣後入關華洋人員一律適用惟其舊有人員仍聽自便惟此項舊有人員如不願遵照提金辦法則於強制退職時只得享受由關款所發養老金一項之利益

第十五條 現爲體恤因實行強制退職之辦法舊有人員所受之失意起見擬定凡舊有華洋人員願遵強制儲金辦法者至按第二條規定限滿強制退職時未能及足額之數卽由關款補足滿數惟此項貼補金加以該員實行提出之款只能足敷購買第六七條所載年金之數爲限而其洋員在職未滿第五條所定年數者計其所欠年數應於關款貼補金內比例扣算其舊有人員現欲遵照提金辦法者立即於其月薪內每月扣出一核定之數存儲

第十六條 凡舊有人員已入強制儲金辦法嗣因身體衰弱按第四條規定強制退職時准其享受實行所提之資之本利連同由關款所發之貼補金俾得購買與第六七條所載者同額之年金惟如有該員在職未滿第二五條所定年數時應行按年月扣算

第十七條 凡舊有人員已入強制儲金辦法身故時准該員遺族享受其實行所提之資之本利連同由關款所發之貼補金俾得購買與第六七條所載者同額之年金惟如有該員在職未滿第二五條所定年數時應行按年月扣算

關於題名錄未列名人員辦法

第十八條 以上各條辦法擬對於華洋關員凡在題名錄列有姓名者一律適用其題名錄未列名者均不令由月薪內提款是以此等人員限滿強制出關時只由關款發給一次銀款此項一次銀款之數以約足敷購買該員末陞年薪四分之一終身銀款年金之權利爲準

隨盈字第二八一號

稅務處令

據總稅務司盈字第二八一號來呈以溯查近十年來各等關員迭經催請籌設養老金一類之規定而在總稅務司亦爲增進海關功效起見時刻焦思究應如何籌定一項強制退職辦法並能對於海關各方面亦可以示持平之處至今籌思已久現值總稅務司已與郵政當局商酌妥帖可將郵政所欠海關之款分批付還總稅務司乘此時機正可以此進款作爲基礎俾得籌訂一項關於上列各事之實行辦法此項辦法諒與關員請設養老金之望既庶幾可以相符而於強制退職一層亦可實行規定惟在將此辦法各條件通令關員遵照以前理合將所擬辦法繕具一份備文呈請鈞處鑒查先將此中大概規模予以核准以便詳酌施行等情並擬訂海關人員強制退職暨養老金以及強制儲金辦法前來查此項辦法本處業經核閱尙屬可行相應令行總稅務司遵照辦理可也此

令中華民國九年一月一日

CIRCULAR No. 3011 (SECOND SERIES).

Staff: superannuation and retirement scheme: statements of intention to contribute or otherwise to be called for from Staff and names of contributors and non-contributors to be forwarded to I.G., etc.; instructions. I.G.'s views regarding benefits to be derived from contribution.

INSPECTORATE GENERAL OF CUSTOMS,
PEKING, *26th February 1920.*

SIR,

1.—In continuation of Circular No. 3006:

Superannuation and retirement scheme:

I have to instruct you to send me a list of all those foreign and Chinese members of your staff whose names are borne on the "Service List" who do and do not intend to avail themselves of the option to contribute. It will be necessary for you to obtain for purposes of record from all a definite statement worded according to the enclosed form. A list containing the names of those who do and do not wish to contribute is then to be made out from the forms handed in and sent to me under covering despatch, the returns being filed in your Accounts Office for future reference. An entry is to be made in the Memo. of Service of each employé to the following effect: "Superannuation and Retirement Scheme Contributor" or "Non-Contributor," as the case may be, and a similar entry is to be made in the Staff Record Books. Commissioners are requested personally to see that these requirements are duly complied with.

2.—It is possible that the more junior of the present foreign employés, basing their calculations on present rates of exchange and interest obtainable, may estimate that, if they contribute, their contributions, at the prescribed rate of deduction, would more than suffice without "make-up" to produce in silver the equivalent of the gold cost of an annuity equal to one-fourth of their final salary at 3s. 4d. exchange, and that they may in consequence be deterred from contributing. It is perhaps advisable to point out that present rates of exchange and interest are not a safe guide. The sum in silver to be aimed at is the cost of the annuity issuable at exchange 3s. 4d. to the Haikwan tael, and the scheme practically insures every present employé against a fall in exchange of over 5s. to the tael for the remaining period of service, and, in respect to "make-up," provides him, in the event of his decease, with the

equivalent of life insurance for the benefit of his family if he is married and leaves dependents. Silver in recent years has been as low as 2s. 6d. to the Haikwan tael, and in present circumstances a drop of 1s. in one day is by no means an unusual occurrence. It is my belief that a foreign employé who decides not to contribute because he thinks that he will derive no benefit from "make-up" will be incurring a certain risk, besides forgoing the certainty of putting aside a considerable sum in silver against the day of retirement. It is only the exceptional man who has the time and knowledge to derive the full advantage from the operation of compound interest, or who is able to practise the self-denial necessary to secure the putting aside of a portion of his income each year for investment. Once private expenditure has been adjusted to allow of the deduction, the difference will never be seriously felt. It is a matter, however, which is entirely one for personal decision, only it must be understood that the decision once made is final and that future applications for deduction in the terms and with the benefits of the scheme will not be entertained.

I am, etc.,

F. A. AGLEN,

Inspector General.

CIRCULAR No. 3028 (SECOND SERIES).

Transit outwards: bond in lieu of cash deposit of two and a half times export duty on cargo brought down under Outward Transit Certificate to be accepted; instructions.

INSPECTORATE GENERAL OF CUSTOMS,
PEKING, 17th April 1920.

SIR,

The practice of requiring a cash deposit of two and a half times export duty on cargo brought down under Outward Transit Certificate, which, according to the Chinkiang Outward Transit procedure or modifications of it, has hitherto been in force at certain ports (Circular No. 735)* is found in these days to bear

* *Antea*, vol. ii, p. 81.

hardly on trade, involving as it does the locking up of capital which might otherwise be usefully employed. In these circumstances the Chinese Government, as you will see from copy of Shui-wu Ch'u despatch No. 381 enclosed, has decided no longer to require a cash deposit, but to be satisfied with a bond in lieu thereof to be executed by the merchant who applies for Outward Transit Certificate, undertaking to make good two and a half times the export duty on the cargo brought from the interior in the event of its failure to be exported abroad within the prescribed time limits. At many ports bonds in addition to the cash deposit are required giving the Chinese Government a lien on the cargo as a guarantee for due observance of the Transit Regulations: such bonds must in future contain a stipulation binding the merchant to pay two and a half times the export duty on the cargo applied for if it is not exported or re-exported to a foreign country within the time limits prescribed in the Transit Regulations. In the case of Chinese executants, as it may be necessary to enforce these bonds by legal process, care will have to be taken that they are properly executed and have affixed to them the revenue stamp required by law. Our responsibility towards the provincial authorities to whom forfeited cash deposits have hitherto been handed is in no way diminished by this new ruling, and it behoves Commissioners to see that the forfeit is promptly forthcoming when due. Records will have to be kept with great care, time limits closely checked, and when they have expired and the cargo has not been exported, immediate steps should be taken to enforce the bond. In the case of cargo exported to another treaty port under Duty-paid Certificate for subsequent shipment abroad, the bond should be endorsed and held until return from treaty port of destination of the Certificate proving that the cargo has been re-exported abroad. The duty forfeited under bond is to be treated as hitherto laid down for cash deposit.

I am, etc.,

F. A. AGLEN,
Inspector General.

ENCLOSURE.

稅務處令

案查商人請領三聯單購運土貨到口除完納子口半稅外仍應繳存押款係爲預防該貨到口後或不遵章辦理致稅課有所損失藉以備抵惟此項辦法各口稍有異同如必須現銀抵押恐與商家或有不便本處爲體恤商人起見現定一變通辦法嗣後遇有聯單土貨到口完過子口稅後應繳之押款無需繳納惟必須於原具切結內聲明所具切結保至貨物出洋爲止貨到口後如逾限不運出洋情願呈繳正稅兩倍半入官等語方免內地稅釐損失如商人不遵章照繳除已領之聯單全數追回註銷外續請之聯單應即停發以儆效尤除分行外相應令行總稅務司轉令各關稅務司遵照辦理此令

中華民國九年三月二十九日

CIRCULAR No. 3040 (SECOND SERIES).

**Ship's papers: I.W.S.N. Certificate (form [C.—98]); I.G.'s queries
re fees charged on first issue.**

INSPECTORATE GENERAL OF CUSTOMS,
PEKING, 19th May 1920.

SIR,

In continuation of Circular No. 2894,* Second Series, and previous Circulars:

Concerning the registration of Chinese-owned vessels of foreign type and the fees chargeable:

I have to inform you that a suggestion was recently made by the previous Statistical Secretary, Mr. F. S. Unwin,† that form [C.—98]—a combined form of Certificate of Registration (輪船註冊憑單) and Inland Waters Steam Navigation Certificate (內港專照) for vessels of the steam-launch class (some of which are also capable of going to sea)—should be replaced in the case of Chinese non-sea-going steam and motor vessels by two separate forms, the one a *P'ingtan*, to be carried as the ship's paper, and the other the *Chuanchao*, for running under the I.W.S.N. Regulations, and in the case of foreign I.W.S.N. vessels by the proposed new form of *Chuanchao*. The combination of the two independent Certificates in one form has, it was pointed out, led sometimes to confusion and diversity of practice, especially in the treatment of Chinese vessels capable of going to sea, which after plying inland go on a coastal run under ordinary regulations and then, if inland freights attract again, reapply to resume running under inland regulations. The new forms proposed would perhaps better meet the circumstances, and they would only be provisional pending the enactment of new shipping laws and regulations by the Chiao-t'ung Pu; but they raise

* *Antea*, vol. iii, p. 482.

† Francis Skipwith Unwin was born on the 3rd September 1849 at Tunbridge Wells, and joined the Customs Service as a 4th Class Clerk on the 1st September 1868. He served at Foochow, Shanghai (three times), Swatow, Takow, Amoy, Chefoo, Newchwang, and Canton before being promoted Deputy Commissioner on the 1st July 1890. He was in charge at Canton from April 1891 to April 1893, after which he was Acting Commissioner at Kiungchow, Amoy, and Ningpo, at which last-named port he was promoted Commissioner on the 20th February 1897. Thereafter he served as Commissioner at Chinkiang, Soochow (twice), Kiungchow, Ichang, Chefoo, Shanghai, and Hankow. On the 1st November 1919 he was appointed Statistical Secretary, a post which he held for only six months, resigning on the 30th April 1920 after a career of over 51 years in the Customs Service. During the Boxer trouble Unwin was called to the provisional Inspectorate at Shanghai, where he served as Chinese Secretary and Acting Chief Secretary. Unwin holds decorations of the Order of the Chia Ho, 3rd and 2nd Classes.

again the question of fees, and as there has also been diversity of practice in the fees charged on the first issue of form [C.—98], I desire to know before deciding on the adoption of new forms what the practice of each port is in this matter. I have therefore to request you to report whether on first issue of form [C.—98] you charge fees as prescribed in Circular No. 927, being for the act of issuing a document which, as pointed out in Circular No. 2894, has a claim to be regarded as a National Paper under Rule 10 of the Chiao-t'ung Pu's Temporary Regulations for Registration notified by Circular No. 2212, in addition to the *Hk.Tls.* 10 fee prescribed by Circular No. 824 for the issue of form [C.—98], and to what heading in Account *D* the former has been credited, or whether you only charge the latter fee. I have also to request you to report your opinion whether the registration fees of Circular No. 927 can reasonably be charged for Chinese vessels as well as the Inland Certificate fee without placing any undue burden on inland waters trading. It is to be remembered in this connexion that Certificates of Registration, including the *Chihchao* of the Chiao-t'ung Pu, to which Board fees have also to be paid (Circular No. 2212), are necessarily based on the Certificates of Measurement, which under present conditions it devolves on the Customs to undertake, the schedule of fees for this act being laid down in Circular No. 2522, and also on the Survey Certificates (of machinery and hull), the possession of which was made obligatory by D.I.G. Circular No. 59 of 1904 and Circular No. 2620* as a pre-requisite to the issue of form [C.—98], the scale of fees for this separate act when performed by Customs surveyors being laid down in Circular No. 2366.

I am, etc.,

CECIL A. V. BOWRA,
Officiating Inspector General, ad interim.

* *Antea*, vol. iii, p. 387.

CIRCULAR No. 3065 (SECOND SERIES).

Chinese Tidewaiters: recruitment and organisation of, to be proceeded with; system defined; instructions.

INSPECTORATE GENERAL OF CUSTOMS,
PEKING, 19th August 1920.

SIR,

1.—With reference to Circulars Nos. 2443,* 2547, 2570, 2639, 2696, 2835, and 2977,† on the subject of the employment, pay, and treatment of:

Chinese Tidewaiters:

I now have to inform you—five years' experience having shown that the experiment tried in Circular No. 2443 has supplied the Service with a useful class of men—that it has been decided to proceed with the recruitment and organisation of Chinese Tidewaiters upon the system defined in this Circular.

2. Rank and Pay.—First appointment will be as Probationary (Chinese) Tidewaiter for a period of six months at a pay of *Hk.Tls.* 35 a month. After six months' service the employé, if satisfactory, may be recommended for confirmation as 4th Class (Chinese) Tidewaiter, B, at *Hk.Tls.* 40 a month. If unsatisfactory, the man is to be discharged; or if there should be some doubt about his case and he be thought worthy of another chance, the period of probation may be extended for another three or six months. In any case the period of probation is to be regarded as a real test, during which the man is given the opportunity to prove himself suitable to the Service. If he is found to be in any way unsuitable, he will not be confirmed in his appointment. If confirmed, Service seniority and rights to retiring allowance and superannuation benefits will have effect from the date of first appointment as Probationary Tidewaiter.

Pay and promotion will thereafter be on the following scale. Promotions from one class to another will be made by the Inspector General upon the Commissioner's recommendations, such

* *Antea*, vol. iii, p. 275.

† *Antea*, vol. iii, p. 500.

recommendations being made formally by despatch when the periods indicated have been served:—

PERIOD OF SERVICE.	RANK.	RATE OF PAY PER MONTH.
		<i>Hk.Tls.</i>
6 months' probation	Probationary (Chinese) Tidewaiter	35
7th month	4th Class (Chinese) Tidewaiter, B	40
2nd year	" " " "	40
3rd and 4th years	" " " "	A 45
5th and 6th "	3rd " " "	B 55
7th and 8th "	" " " "	A 65
9th and 10th "	2nd " " "	B 75
11th and 12th "	" " " "	A 85
13th, 14th, and 15th years	1st " " "	B 100
16th, 17th, and 18th "	" " " "	A 115
19th, 20th, and 21st "	Senior (Chinese) Tidewaiter, B	130
22nd year	" " " "	A 150

3. Recruiting Centres.—The recruiting centres for Chinese Tidewaiters will be: Newchwang, Tientsin (North); Hankow, Shanghai (Centre); Canton, Kowloon (South).

The Commissioner at each of these ports is authorised now to recruit 10 Probationary Tidewaiters, in addition to whatever other Chinese Tidewaiters he may already have on his staff. The men are to be carefully trained and are to be held available as required for transfer to other ports. Commissioners at other ports requiring Chinese Tidewaiters should apply to the Inspector General stating their wants, when the Commissioner in charge of the nearest recruiting district will be instructed to supply them. The gaps in the lists in the recruiting centres may be filled up as the men are taken away, but there are not to be more than 10 Probationary and 4th Class Tidewaiters altogether on the list at each port at one time. The men recruited at Kowloon, however, are to be sent to Shanghai for their training. The Shanghai Commissioner will therefore have 20 men on his staff—10 recruited locally and 10 sent from Kowloon,—and he is to apply to the Kowloon Commissioner for more men when vacancies occur in the list of the Kowloon recruits.

In recruiting Chinese Tidewaiters the Commissioner concerned should insist upon the following qualifications:—

Age.—21 to 26.

Physique.—Strong build, with good muscular development, and good hearing and eyesight. No hard and fast measurements need be laid down; Commissioners and Customs Medical Officers will know what kind of physique is suitable for the work. Strict medical examination is necessary, and special watch is to be kept for signs of tuberculosis.

Education.—In addition to being able to read and write his own language with ordinary facility, a candidate must be able to speak, read, and write English fairly, sufficiently to be able to compose a simple essay or official report in that language, and have a knowledge of simple arithmetic. He should be subjected to an easy examination in these matters, and if a large number of suitable candidates present themselves, a competitive examination may be held.

Commissioners and Tidesurveyors will of course be able to use their own judgment as to the type of men required, but, generally speaking, for a Tidewaiter's work some strength of physique and force and independence of character are necessary. Apathy and listlessness are the defects which are the most likely to be met with and which should therefore be the most carefully looked out for.

Chinese Watchers and Weighers of good standing and possessing the necessary qualifications as to age, physique, and education may be recommended to the Inspector General for appointment as 4th Class Tidewaiters, B.

4. Uniform.—Summer and winter uniforms are to be the same as for foreign Tidewaiters, the instructions of Circular No. 2663 as regards uniforms for Chinese Tidewaiters being so far modified. But as the upkeep and renewal of these uniforms with the expense for laundry involved will be too serious an item in a Chinese Tidewaiter's pay, he will be allowed a sum of *Hk.Tls.* 50 per annum for maintenance of uniform, in addition to the first free outfit already authorised by Circular. The allowance is to be paid quarterly, in instalments of *Hk.Tls.* 12.50.

5. Transfer.—All Chinese Tidewaiters are liable to transfer and to serve wherever required. Their guarantee bond is to contain a clause stating that they fully understand their liability in this respect.

6. Security Bonds.—Chinese Tidewaiters engaged henceforth must furnish security bonds for \$500 (*vide* Circular No. 2835, B, No. 434).

7. Quarters.—Chinese Tidewaiters can form no exception to the rule that it is impossible for the Service to provide quarters for Chinese employes in their own country, and their pay has been calculated on a scale which will allow of their providing their own houses. An experiment may, however, be made in barrack life for a number of these men at Shanghai, where there is a house available. The men will have to live as unmarried men in these quarters and be subjected to discipline. Special instructions will be given to the Shanghai Commissioner in this connexion.

8. Supervision.—Like the rest of the Out-door Staff, Chinese Tidewaiters come under the direct control of the Tidesurveyor. Should, however, the Commissioner find it necessary to provide for particular supervision of their work, he is at liberty to detail one of his foreign officers for the special duty of the supervision of Chinese Tidewaiters. It would be this officer's duty, under the Tidesurveyor, to supervise their work, to visit systematically the wharves, ships, and night stations to which they are posted, to take general charge of their discipline and supervise the efficient performance of their work. As the officer recommended for this duty would require to have special qualifications of leadership and character, he would have to be carefully selected, and his name should be reported to the Inspector General.

9. Leave.—Leave for Chinese Tidewaiters will continue to be as laid down in Circular No. 2696, B, No. 422.

10. Status.—Generally speaking, the Chinese Tidewaiter is intended to supplement the foreign officer, under whose guidance and control he must work. The position will be somewhat analogous to that of the foreign and Chinese Assistants in the In-door Staff, except that the Chinese Tidewaiter, being a comparative new-comer, with his position yet to make, must be for the time being more dependent upon the leadership of his foreign colleague.

11.—Attached to this Circular is a list showing the present Chinese Tidewaiters Staff as reorganised under the present scheme, which comes into effect on the 1st August 1920. Subsequent periods for promotion are to be calculated from the original date of the employe's seniority as Chinese Tidewaiter, period of service as Watcher or Weigher not being taken into calculation. All Probationary (Chinese) Tidewaiters who on the 31st July 1920 have served six months or more are now to be recommended for confirmation.

I am, etc.,

CECIL A. V. BOWRA,
Officiating Inspector General, ad interim.

CIRCULAR No. 3100 (SECOND SERIES).

Russian vessels: entry and clearance of; Commissioners to recognise power of Commissioners for Foreign Affairs; instructions and remarks.

INSPECTORATE GENERAL OF CUSTOMS,
PEKING, 11th December 1920.

SIR,

With reference to Circular No. 3083:

Russian residents and firms: Superintendent of Customs to deal with issue of permits to import and execution of bonds required for importation of arms and ammunition by; instructions:

I circulate, for your information and guidance, copy of Shui-wu Ch'u despatch No. 1841, from which you will see that the Chinese Government having ceased to recognise the authority of the Russian Consuls in China and having instructed the Commissioners for Foreign Affairs in the various provinces to carry on the duties of these Consuls, you are to recognise the power of the Commissioners for Foreign Affairs to perform such functions as have hitherto been performed by the Russian Consuls in the matter of entry and clearance of Russian vessels.

You will note that these are special instructions to meet a particular emergency and that they are not to be regarded as of general application in the sense that they supersede the hitherto recognised rule that the Customs deal direct with unconsularly represented vessels. Commissioners will do well to confer with Chiao-shê Yüan and arrange how the necessary formalities in the case of Russian vessels may be complied with, so that, on the one hand, the Chiao-shê Yüan may be satisfied that their special status and authority in this matter are maintained and, on the other hand, there may be no undue delay to the vessels concerned. It would, I think, be well to arrange for ships' papers to be consigned to the Custom House.

I am, etc.,

F. A. AGLEN,
Inspector General.

ENCLOSURE.

稅務處令

准外交部咨開據特派江蘇交涉員電稱俄船 Astrakhan 前日由烟台來滬海關依然承認並命該船主遵照舊章持船單赴領署代轉船主則謂已無領署疊來職署請求代轉而海關尚不承認職署有此職權擬懇速咨稅務處轉飭滬關凡關俄船進出口事均與職署商辦當否乞電示遵等情查駐華各俄領停止待遇後所有該領職權業經令行各省交涉員代行在案凡俄船抵滬所有關於俄船進出口事自應由該特派員執行俄領職權照章將船單代轉海關辦理應咨請查照轉飭總稅務司從速電令滬關稅務司遵辦等因到處除令行各關監督遵照外相應令行代理總稅務司轉飭各關稅務司遵照辦理可也此令

中華

民國九年十二月八日

CIRCULAR No. 3102 (SECOND SERIES).

Revenue surtax for famine relief: levy of; instructions.

INSPECTORATE GENERAL OF CUSTOMS,
PEKING, 21st December 1920.

SIR,

1.—With reference to my Circular telegram to all ports of 17th December:

Issue Customs Notification to effect that on and after 16th January next for one year a surtax for famine relief* of one-tenth on all collections of revenue made by Maritime and Native Customs—except tonnage dues—will be levied, but no surtax will be levied in respect to shipments to China made prior to 16th January 1921.—Aglen:

I enclose, for your information and guidance, copy of Shui-wu Ch'u despatch No. 1864 and letter No. 972 in this connexion, from which you will see that the Treaty Powers have agreed in principle to the levy of a surtax of one-tenth on Maritime and Native Customs Revenue Collections, with the exception of tonnage dues, for famine relief and that collection of the surtax will begin on 16th January 1921 and is limited to one year. Goods shipped to China previous to 16th January 1921 will be exempted from surtax, the procedure to be followed being similar to that which was adopted when the Revised Import Tariff of 1919 came into force.

You will act accordingly unless otherwise instructed by me.

2.—Although authorised for a special purpose to which all the funds derived from the increased levy will be devoted, the surtax is

* The famine of 1920-21 in North China was due to prolonged drought and the consequent failure of the crops in the autumn of 1920. The famine spread over six provinces: Chihli, Honan, Shensi, Shantung, Shansi, and northern Chekiang. Chinese and foreign relief associations got into operation at once, but they could succour only a fraction of the 20 to 30 million victims of the famine. Pressure, accordingly, was brought to bear on the Government, who eventually arranged with the Diplomatic Body for the levy of the famine relief surtax indicated in this Circular. On the security of this surtax the Minister of Finance was able to raise an immediate loan of \$4,000,000 for relief purposes from the Hongkong and Shanghai Bank, the International Banking Corporation, the Banque de l'Indo-Chine, and the Yokohama Specie Bank. The disposal of this loan was supervised by an international committee of Chinese and foreigners. (N.C.H., 22nd January 1921, p. 200). The levying of surtaxes for famine relief was imitated by tax-collecting offices over the whole country, and strong complaints were made that not all the proceeds of these levies were devoted to the purpose for which they had been collected. (N.C.H., 19th March 1921, p. 712).

Customs revenue and is to be treated as such in all accounts and returns. A very accurate account of the surtax will have to be kept at the ports, and its disposal by me will necessitate the opening of a special account at Shanghai, to which the bank will be instructed to credit the receipts when remittances of revenue are made. Later instructions will deal with these points and also with the question of the surtax when duties are paid by Drawback. Generally speaking, however, I wish there to be as little dislocation of the present system as is compatible with the proper receipt and accounting of the funds.

3.—Duty-free goods are exempt from surtax, and, of course, collections made by the Customs which are not revenue, *e.g.*, wharfage dues, conservancy dues, and the like, are not affected.

I am, etc.,

F. A. AGLEN,
Inspector General.

ENCLOSURE.

稅務處令

案准外交部來函內開政府擬於海常各關附帶賑捐一成以一年爲限專爲賑濟災民之用一事前准國務院來函業經本部照會駐京各國公使商請同意並迭電駐外各公使向所駐國政府切實商辦各在案現關係各國對於此案除瑞典尙未答復外其餘均已贊同自可卽行籌備以便定期實行至此項賑捐自公布之日以至開徵之時其間應予以適當之期限以便外商有所準備應函達查照辦理等因前來本處查此案既准外交部函開前因所有海關及由海關兼管之五十里內常關應卽定於民國十年一月十六日起開徵往來各貨之附帶賑捐其徵數卽係比照該貨所納稅銀十分之一其徵期以扣足十二月爲期限滿卽行停止並由各該關先將開徵日期預於本年十二月十五日布告商民知悉俾有準備至於各該關每月所收之賑捐銀兩應由稅務司按月核提解由總稅務司逕交賑務處核收應用除分行外相應令行總稅務司查照轉令各該關稅務司遵辦並先將辦法摘要及公布開徵各日期電令知照可也此令 中

華民國九年十二月十三日

稅務處來函

逕啓者關於海關及海關兼管之五十里內常關定期於明年一月十六日開徵附帶賑捐一成一事頃准外交部來函內稱昨已由顏總長將前項開徵日期詢諸來部會晤之各國公使均無異議惟法使則謂凡自明年一月十六日以前貨物由法起運者不在此範圍之內如果照此辦理不加反對云云查上年新稅則實行亦係如此辦法使所稱一節似無問題爰於本日通照各使聲明各關屆期實行其內部手續即請從速通知總稅務司迅電各關遵照等因前來本處查此事既准外交部函稱前因所有前項開徵日期應請執事迅即按照第一八六四號處令電知各關稅務司趕緊公布以免遲誤至於由各國運來中國貨物凡在明年一月十六日以前起運者並即比照上年實行新稅則辦法免收此項一成賑捐以昭公允相應函達查照辦理可也此頌

日社 中華民國九年十二月十六日

CIRCULAR No. 3106 (SECOND SERIES).

Revenue surtax for famine relief: procedure to be adopted in accounting for; instructions.

INSPECTORATE GENERAL OF CUSTOMS,
PEKING, 4th January 1921.

SIR,

In continuation of Circular No. 3102,* N.C. No. 198:

Revenue surtax for famine relief, levy of; instructions:

I have to draw your attention to the following points in connexion with the procedure to be adopted in accounting for the surtax collection.

1.—The 10 per cent. famine relief surtax is to be considered part of the Maritime and Native Customs revenues, and statistically it is to be treated as part of the total collection, *i.e.*, it is to appear in the Foreign and Native Customs Revenue Returns under a separate heading "Surtax Duty" in the same manner as separate totals are shown for import duty, export duty, etc., the various office forms being amended by ports to suit the purpose. In the printed Returns the surtax duties are to be shown in a separate column, forming part of the total collection (*vide* Enclosures Nos. 1 and 2).

2.—As, however, the surtax has been earmarked for a special purpose, certain modifications in established practice are necessary, the principal change being the opening of a new account with the Hongkong and Shanghai Bank, Shanghai, termed "Inspector General of Customs' Surtax Account," to which surtax collections made by ports are to be remitted.

3.—Each port will therefore have to keep a special office record of the surtax collected. The figures to appear in Table I of the Monthly Report on Collection and Remittance, [B.—6], are the daily gross collections, *i.e.*, they are to include the surtax. The gross amount collected during the month (including the surtax) is similarly to appear under sub-head B of Table III. When remitting Foreign and Native Customs revenue the amounts remitted on account of surtax are, however, to be entered on a separate blue Remittance Note, clearly marked in red ink "Surtax Account" in the space above the sentence "Foreign Revenue Account." The surtax figures for both Maritime and Native Customs may be entered on the same Remittance Note, but Foreign and Native Customs surtax collections should be shown separately. Surtax remittances

* *Antea*, vol. iii, p. 558.

are to be made regularly in round sums by all ports, including Mengtsz, Szemao, and Tengyueh. In [B.—6], Table III, under sub-head 3, the gross amount remitted, including surtax, is to appear. Foot-notes are, however, to be added, giving the amounts of surtax included in Table III figures.

4.—The surtax being collected for charitable purposes, surtax collection charges are to be avoided, and arrangements should therefore be made with the revenue-collecting banks to this effect. Similarly, one-tenth of the Native Customs revenue appropriated as office allowance is not to include one-tenth of the surtax collection. The cost of remitting the surtax and loss and gain by exchange, however, are to be charges on the surtax collection. In other words, the difference between the amount remitted and the amount credited to I.G. Surtax Account must be accounted for as a gain or a loss by exchange as the case may be and will have to be accounted for in [B.—6] in the usual manner. However, for easy reference' sake a simple statement of the total amount of surtax collected each month, the amounts remitted during the month, charges, if any (for instance, cost of remittance, loss and gain by exchange, etc.), and the balance in hand at the end of the month, is to be prepared on a separate sheet of paper, and is to be forwarded to the Inspectorate together with the [B.—6] Report (*vide* Enclosure No. 3).

5.—Cash drawbacks are issuable for surtax in all cases where the corresponding duties are returned to a merchant in form of ordinary cash drawbacks or Drawback Certificates. Drawbacks for surtax duties are never to be issued by Drawback Certificates, nor are Drawback Certificates to be accepted in payment of surtax duties. This is the general line to be followed at present. In special cases where surtax has been wrongly levied it will have to be returned by means of a cash drawback. In all cases the amounts returned must be accounted for in the office surtax record.

6. *General*.—In some ports special revenues are being collected which do not form part of Maritime and Native Customs collections, but are handed over to the Chinese authorities, *i.e.*, junk duties, likin collections, etc. The principle to be followed in such cases is that the surtax collections are not to be handed over, but are to be paid into and accounted for in either Maritime or Native Customs Revenue Account. Similarly, at Kowloon and Lappa the surtax collection on likin and chingfei will be left in the Inspector General's Likin and Chingfei Account until it is transferred to the Inspector General's Surtax Account with the Hongkong and Shanghai Bank, Shanghai. In ports where wharfage dues, conservancy dues, etc., are collected for others by the Customs and such duties are

calculated as a percentage of the Customs duties payable, the principle to be followed is that they shall continue to be calculated as before on the collection proper—excluding surtax charge.

I am, etc.,

F. A. AGLEN,
Inspector General.

CIRCULAR No. 3109 (SECOND SERIES).

Tariff, Provisional Differential: to be applied not only to German and Austrian goods, but also to goods originating in any other country with which China has not entered into treaty relations; instructions.

INSPECTORATE GENERAL OF CUSTOMS,
PEKING, 11th January 1921.

SIR,

The rulings hitherto given in Circulars Nos. 3007, 3016, and 3051* require you to limit the application of the Provisional

* The first of these Circulars, dated 24th February 1920, notified that pending the promulgation of a National Import Tariff, German and Austrian goods might continue to pay according to the revised Import Tariff of 1919, except electrical fittings, lamps, needles, paper, telegraph and telephone materials, cotton blankets woollen and cotton mixtures, woollen and worsted yarn, iron and steel manufactures, and llama braid, which were to pay 10 per cent *ad valorem*, while enamelledware, lace, soap, stationery, stoves and grates, sugar candy, motor-cars, beer and porter, figured and plain cotton italians, medium cloth, buttons, chinaware, and clothing were to pay 20 per cent *ad valorem*. This led to complications, as these goods—even if of German or Austrian origin—when imported by subjects of Treaty Powers, claimed and were allowed to pay according to the revised Import Tariff of 1919 (I.G. Cir. No. 3016). As early as February 1918 (*vide* "Far Eastern Review," February 1918) a Presidential Mandate had been issued decreeing that the import duty rates to be paid by the subjects of non-treaty nations were to be: luxuries, 30 to 100 per cent *ad valorem*; useless goods, 20 to 30 per cent *ad valorem*; useful goods, 10 to 20 per cent *ad valorem*; necessary goods, 5 to 10 per cent *ad valorem*; and in September 1919 (N.C.H., 20th September 1919), the Shanghai Superintendent was instructed not to apply the revised Import Tariff of 1919 when dealing with the imports of non-treaty countries, or from countries with which China had broken off treaty relations. This attempt of China to regain a modicum of tariff autonomy was frustrated by the action of the Treaty Powers in claiming that, by the "most favoured nation" clause, only the rates specified in the treaty tariff were chargeable on goods brought in by their nationals irrespective of provenance, and that China was free to apply the rates of the new national tariff only in the case of goods manufactured in non-treaty or ex-treaty countries and imported thence into China by non-treaty or ex-treaty subjects. To overcome their tariff disability, Czechoslovakia, Greece, Siam, and Bolivia entered into commercial treaties with China during 1919, and their example was followed in 1920 by Chile, Poland, and Lithuania. By the Agreement of 20th May 1921 between China and Germany, the latter country recovered for her nationals the right to the same privileges of residence and trade and of Customs duty treatment as might be enjoyed by the nationals of other Treaty Powers. (I.G. Cir. No. 3183, *postea*, vol. iii, p. 601).

Differential Tariff to goods of German and Austrian origin if the importer is a German or Austrian subject or the subject of another country with which China has no treaty relations. A case recently referred by the Shanghai Commissioner, which turned on the question whether goods from Czecho-Slovakia are to be considered of Austrian origin, on being submitted by me to the Shui-wu Ch'u for a ruling on this point, disclosed the fact that the intention of the Ministry of Finance was to give the application of the Provisional Differential Tariff a wider scope than was contemplated when the Circular instructions were issued. As you will see from the copy of Shui-wu Ch'u despatch No. 1936, which I now circulate for your information and guidance, the Provisional Differential Tariff is to be applied not only to German and Austrian goods, but also to goods originating in any other country with which China has not entered into treaty relations. You are to act accordingly, following, however, the principle laid down in Circular No. 3016, that is to say, when the importer is the subject of a Treaty Power the Revised Import Tariff is to be applied.

I am, etc.,

F. A. AGLEN,
Inspector General.

ENCLOSURE.

稅務處令

案據前代理總稅務司包羅辰字第三四八號來呈以現有捷克國人 Mr. K. Staz 在滬報運現歸該國之公司所造鋼條究應按照德奧貨物之暫行稅率完稅抑應視為其他無約國貨物按照新修稅則完稅呈請核示到處呈內並稱代理總稅務司現在對於本案以為應請鈞處將下列兩項問題明白規定以憑解決（甲）中國是否承認捷克國為與中國並無條約關係之共和立憲國所有該國所產運入中國之貨應否視為德奧以外無約國之貨物（乙）中國如照上列情形承認所有嗣後由捷克來華貨物海關應向報運人索取何種原產地證明書俾可證明該貨確非德奧兩國之所產理合請核示遵等語本處當查呈內所敘甲乙兩問題自應妥酌惟其中尚有一問題須先為解決者從前財政部所擬定暫行稅率專表係就江海關所開送之德奧貨物清單內擇其屬於非必要品及奢侈品者分別酌定為值百抽十或二十徵稅列入表內是以在海關一方面觀測以為表內所列各貨物係專指產自德奧者而言與其他無約國所產者無涉對於其他無約國貨物以為祇須照一九一九年新修稅則徵稅便無不合惟究竟此等觀測是否與財政部原意相符實為此案之先決問題爰本此意並抄錄原呈分咨外交財政兩部徵詢意見請其將前列各問題應如何解決之處速奪見復去後茲准外交部咨復稱捷克並無與中國協定稅則之

關係所有該國所產運入中國之貨自應照無約國貨物辦理至原產地證明書之設原爲辨別出產國有約無約以爲適用何種稅則之標準現海關方面觀測以爲無約國貨物祇須照新稅則徵稅核與分辨有約無約稅率原案本意殊有未符並准財政部咨復稱前項暫行稅率表之擬定係因部處正在會商國定稅率時准和使函詢德貨徵稅辦法并索閱國定稅率表當經部處商酌以此項稅率表未經公布以前暫就江海關原送之德奧貨物清單分別品類定爲暫行稅率以作各無約國貨物將來照徵國定稅率之權與當時實因其他無約國並無貨物名稱可查姑就德奧貨單定爲標準部意本非限定德奧貨物始用此項暫行稅率當然包含各無約國之貨在內今捷克國人所運鋼條似宜適用此率以爲他日施行國定稅率之過渡辦法各等因復請核辦前來本處復查此案既准外交財政兩部咨復前因是前項暫行稅率表非專爲德奧而設所有該捷克國人 Mr. K. Stutz 在滬報運現歸該國之公司所造鋼條已由關按照暫行稅率表徵稅自無庸再將比較新修稅則所多完之稅銀用存票發還並嗣後各海關凡遇有無約國貨物進口爲暫行稅率表所已載者概按表載稅率徵稅以歸一律相應令行總稅務司查照轉令江海暨各關稅務司一體遵辦可也此令

中華民國九年十二月二十四日

CIRCULAR No. 3121 (SECOND SERIES).

Revenue surtax for famine relief: loan secured on; copy of Agreement circulated.

INSPECTORATE GENERAL OF CUSTOMS,
PEKING, 28th January 1921.

SIR,

With reference to Circulars Nos. 3102,* N.C. No. 198; 3106,† N.C. No. 200; and 3120, N.C. No. 209:

Concerning collection of surtax for famine relief:

I enclose, for your information and for record, copy of Shui-wu Ch'u despatch No. 104, containing copy, in English and Chinese, of the Agreement signed on 19th January 1921 at Peking by the Ministers of Finance and Interior and the representatives of the Group Banks for a loan of four million dollars, Shanghai currency, secured on the surtax.

I am, etc.,

F. A. AGLEN,
Inspector General.

ENCLOSURE No. 1.

AGREEMENT CONCERNING LOAN SECURED ON
REVENUE SURTAX FOR FAMINE RELIEF.

This Agreement made between the Minister of Finance and the Minister of the Interior, acting on behalf of the Government of the Republic of China, of the first part, and the Hongkong and Shanghai Banking Corporation, the Banque de l'Indo-Chine, the Yokohama Specie Bank, and the International Banking Corporation, herein-after referred to as the Banks, of the second part, for a loan of \$4,000,000 (Four Million Dollars), Shanghai currency, for the purpose of famine relief:

Witnesseth as follows:—

1.—The loan is made to the Chinese Government by the Four Banks in equal shares with the approval of the British, French,

* *Antea*, vol. iii, p. 558.

† *Antea*, vol. iii, p. 562.

Japanese, and American Ministers, and the expenditure of the proceeds of the loan shall be subject to such regulations as shall be agreed upon between the aforesaid Ministers and the Chinese Government.

2.—The Chinese Government unconditionally guarantees the repayment of the loan and payment of the accrued interest thereon.

3.—The loan is secured on the surtax of 10 per cent. on the revenues of the Chinese Maritime Customs, which the Inspector General of Customs has been instructed to levy, with the sanction of the Diplomatic Body, from the 1st March 1921.

4.—Interest shall be charged on the loan or the balance thereof outstanding at the rate of 8 per cent. per annum, calculated from the date of the signature of this Agreement, and become payable simultaneously with the last instalment of repayment of principal.

5.—The loan funds shall be transferred to Peking by the Banks as required at the rate of 100 Shanghai dollars equal $99\frac{1}{2}$ dollars Peking currency and shall remain on deposit with the Banks until required for actual use, when they shall be withdrawn, as far as possible, in equal amounts, from each Bank in accordance with the above-mentioned regulations.

6.—The Inspector General of Customs shall forthwith be instructed to pay weekly into the Banks in Shanghai in equal shares the proceeds of the said surtax until its collection is completed. The proceeds of the surtax shall be applied monthly by the Inspector General of Customs to the reduction, in Shanghai dollars, of the balance of the loan outstanding until the total amount of the loan, with accrued interest, has been repaid; but the Banks shall each have the option of receiving their share of the monthly repayments in Shanghai taels, amounts so received to be applied by them to the reduction of the balance of the loan outstanding, at a rate 1 per cent. over the current market rate for dollars in Shanghai on the day of repayment.

Any of the Banks desiring to receive its portion of the monthly instalment of repayment in Shanghai taels as herein-above provided shall notify the Inspector General of Customs or his Deputy accordingly two weeks in advance of the date fixed for repayment.

7.—If within a period of 12 months from the date of signature of this Agreement the yield of the said surtax should be found to be insufficient for the full repayment of the loan with accrued interest, the Inspector General of Customs shall immediately pay

any balance of principal outstanding and the accrued interest from the revenues of the Maritime Customs after existing charges thereon have been met or provided for, such portion of the loan outstanding and the accrued interest having priority over all future loans or charges on the security of the Maritime Customs revenues; and in the event of the available funds of the Maritime Customs being insufficient at that time for the purpose, the Chinese Government shall forthwith pay the balance required from other sources.

8.—The Inspector General of Customs shall notify the Banks that he has received the instructions of the Chinese Government required by the terms of this Agreement.

9.—The terms of this Agreement will be officially communicated to the Ministers of Great Britain, France, Japan, and the United States of America by the Wai-chiao Pu, and upon receiving notification of this communication as well as the notification by the Inspector General of Customs referred to in Article 8, the Banks will forthwith make the proceeds of the loan available for expenditure.

10.—This Agreement is executed in duplicate, one copy to be retained by the Chinese Government and one copy by the Banks.

Signed at Peking this nineteenth day of January 1921.

CHOW 'TSU-CHI,

CHANG CHIH-TAN,

Minister of Finance.

Minister of the Interior.

(Seal of Ministry of Finance.) (Seal of Ministry of the Interior.)

For the Hongkong and Shanghai Banking Corporation:

R. C. ALLEN, *Manager.*

For Banque de l'Indo-Chine, Agence de Pékin:

J. R. BAYLIN. J. GOT, *Manager.*

For the Yokohama Specie Bank, Limited:

K. ONUKI, *Manager.*

For the International Banking Corporation:

C. R. BENNETT, *Manager.*

ENCLOSURE No. 2.

稅務處令

准財政部咨稱關於賑災借款四百萬元合同業於本月十九日簽字除由部分咨外交部賑務處外查該合同第三第六第七第八各款均須飭知總稅務司照辦應抄錄原合同中西文各一件咨請查照轉令遵辦等因前來相應將原送中西文合同各鈔錄一份令行總稅務司遵照辦理可也此令附件 中華民國十年一月二十五日

第一〇四號

譯匯豐銀行送來賑災借款草合同

此合同在北京訂立其訂立者一為中華民國政府

此下簡稱曰
中國政府

由財政總長內務總長代表一為匯豐銀行

匯理銀行橫濱正金銀行花旗銀行

此下簡稱曰
銀行

茲因中國政府欲借上海銀元肆百萬元為賑災之用訂立條

款如左

第一款 此項借款係由四銀行均分借與中國政府已得英法日美四國公使之同意其實收借款之用途須照四國公使與中國政府商定之辦法辦理

第二款 中國政府無條件擔保此項借款本息之償付

第三款 此項借款以中國海關所抽之一成附加稅爲擔保此項附加稅已得外交團之同意并已飭令總稅務司准自一九二一年三月一日起加抽

第四款 此項借款總數或餘欠之數自本合同簽字日起以週息八釐計算（即年息百分之八）在最後一次還本時一併歸還

第五款 此項借款由銀行按所需之數匯至北京時每上海銀元百元合北京銀元玖拾玖元五角匯到後仍存儲銀行中至實在需用時應按照上述辦法由各銀行平均提出總以所提數目極近相等爲目的

第六款 應由政府飭令總稅務司即將上述附加稅之實收數每星期均等分交上海各銀行收存至該項附加稅收齊爲止總稅務司每月用上海銀元以附加稅之實收數扣還借款餘數至此項借款本利全數還清爲止惟各銀行收還借款餘數時倘願按照規銀計算時有自由選擇之權其規銀折合銀元價格應比還款日市價增加百分之一計算

凡對於收還借款願以規銀計算者應在預定還款日期兩星期前通知總稅務司或其代表

第七款 倘自此合同簽字日起十二個月內上述附加稅收入之數不符歸還借款本利全數時總稅務司應立即在現抵各款撥付或準備撥付後之關稅項下扣還餘欠之數所有未清還之本借款本利應較將來他項借款或他種以關稅作抵之債務有優先權屆時倘關稅仍不敷應用中國政府應立即另撥他宗款項扣還餘欠之數

第八款 總稅務司應致通知書於銀行聲明業經接奉本合同所規定中國政府之命令

第九款 外交部應用正式公文將本合同各條款通知英法日美四國公使銀行應於收到四國公使聲明已得

此項正式公文之通知書後並收到第八款所述總稅務司通知書後將此項借款之實收數備齊以資應用

第十款 此合同應繕兩份一由中國政府收執一由銀行收執

中華民國十一年一月十九日在北京簽押
西歷一千九百二十一年

SEMI-OFFICIAL CIRCULAR No. 34.

Revenue collection: Canton Government's intention to take control of,
from 1st February 1921: I.G.'s remarks in connexion with.
Appreciation of Canton Commissioner Mr. A. Wilson's
attitude *in re*, recorded.

INSPECTORATE GENERAL OF CUSTOMS,
PEKING, 7th February 1921.

SIR,

The recent controversy with the Canton authorities concerning Customs revenue has produced a certain amount of Press comment, some of it misleading, and I think it will be useful, therefore, to say a few words on the subject for the information of the Service.

The Canton Government, which, as you know, functions at present independently of the Central Government, resenting the withholding of its *pro rata* share of last year's revenue releases, earmarked for its disposal, decided to assume control of the revenue collections made in the Canton ports, with a view, it is presumed, to obtaining its share of any future release without reference to arrangements made here. This decision was taken without sufficient knowledge of the circumstances in which the Loan and Indemnity Service is conducted or appreciation of the fact that any division of the control of that service would be impracticable and lead to confusion. It was embodied in an official statement issued to the Press, and the issue at once became of international importance, involving engagements entered into by China as a State.

During the discussion of the question I was in frequent telegraphic communication with His Excellency Dr. Wu T'ing-fang, Minister of Foreign Affairs for the Canton Government, and, realising that it was desirable to provide some foothold for retreat from an untenable position, I took occasion in one of my messages to point out that I myself and the Customs authorities on the spot had always recognised the authority of the *de facto* Government and followed its instructions *when they were not in conflict with China's international engagements*.

From a further announcement made by the Canton Government I see that this hint has been used, without, be it noted, the proviso attached to my definition of the Service attitude in independent provinces, and I am glad to announce that wiser counsels have prevailed and that there is apparently no intention to pursue a policy which could only end in conflict with the Treaty Powers.

Before dismissing the subject I wish to place on record my satisfaction with the manner in which the Canton Commissioner, Mr. A. Wilson, has handled his end of a delicate and critical situation.

I am, etc.,

F. A. AGLEN,
Inspector General.

CIRCULAR No. 3137 (SECOND SERIES).

**Returns: new system of valuation in view of future Tariff revision
to be introduced; instructions.**

INSPECTORATE GENERAL OF CUSTOMS,
PEKING, 28th February 1921.

SIR,

1.—The question of the values given in our Returns to direct foreign imports paying specific duties has assumed greater importance both from the point of view of international statistics and of a future revision of the Tariff. Printed Note No. 299 of 1904 laid down the principle that "The Returns value of imports is to be the c. f. & i. value, *i.e.*, to include invoice cost, freight, and insurance; it is not the market value, but excludes Customs duty and all charges after leaving the vessel." Had China the right, which the United States of America and other countries enjoy, of demanding the production of duly certified invoices, correct values would have been stated on Applications and our Returns values would have represented facts. In the absence of this right, and the consequent difficulty of obtaining reliable statements of values, the Statistical Secretary in Printed Notes Nos. 299 and 321 instructed, with a view to uniformity, that the values given in the annual "Valuation List" were to be generally adopted. In Printed Note No. 397 of 1911 the Statistical Secretary modified the instructions to the effect that these values, being based on the average values at Shanghai and Canton for the first three quarters of the year, were intended only to serve as a guide and need not invariably be followed, and he added that Shanghai and Canton in particular should base their annual Returns values on the total quantities and total values according to their Returns books for the whole year in

preference to the values in the "Valuation List." With the latitude allowed by these later instructions, practice no doubt tended to become more divergent; but ports appear, as a rule, to have followed the "Valuation List." In any case, it would seem that, except at Shanghai, the declaration of correct values of Tariff-duty goods has received but superficial attention, Examiners confining themselves mainly to seeing that correct particulars required for assessing duty were stated, and applicants only being directly interested in stating such particulars and no others.

2.—Our Returns values of these goods have therefore been rather of the nature of more or less careful estimates than of facts, and their insufficiency was brought out during the discussions at the last Tariff revision. Mr. L. A. Lyall, Commissioner, who served as one of the Vice-Presidents of the Chinese Commission, subsequently reported that he had to make nearly all his calculations of values from the figures given in Part II of the Annual Returns of Tientsin, Shanghai, Hankow, and Canton, and that wherever it occurred that the Returns values had been altered from the values given on Applications he found himself in an untenable position when called upon to justify such alterations. In this connexion he made the following remarks: "The values given on Applications are the values of each particular lot of goods as declared by the applicant and passed by our Appraisers. Whilst these values are not always accurate they are not without value, and in dealing with them the Tariff Revision Commission knows exactly what it is doing. If at the end of the year these values are amended by the Shanghai or Canton Appraisers in conformity with the Appraisers' opinion as to the total average value of the imports of a particular class of goods into Shanghai or Canton, these values lose all possible value. They merely represent the private opinion of the Appraiser as to what the average value of, say, a British 8-lb. shirting is. As the value of an 8-lb. shirting varies with its quality, and the Appraiser has no correct information how many pieces of each different quality were imported during the year, he is not in a position to be able to state the average value of an 8-lb. shirting." He accordingly suggested, while recognising the inherent difficulties of his proposal, that the only way to get more accurate values for our Returns is by insisting that the values given on each separate Application for goods paying a specific duty shall be correct.

3.—This has been the practice at Shanghai and is reported to have worked smoothly—applicants have not been opposed to declaring values, and when their values are not accepted by Appraisers or Examiners they make the required alterations on their

Applications themselves. At Tientsin, Hankow, Swatow, and Canton, however, the "Valuation Lists" of Shanghai or Canton have, as a rule, been followed. At other ports, too, where direct foreign trade has been increasing, coincidentally with the decline in the ratio between re-exports and imports at Shanghai, Returns Offices have probably been guided by the "Valuation List" in stating values. But, as I have said, the correct valuation of Tariff-duty goods is important, not only in view of future Tariff revision, but also for statistical reasons, and uniformity with the Shanghai practice is now required. Accordingly, applicants are to be requested to state in all cases the c.i.f. values of Tariff goods. Their values must be verified as closely as is compatible with the staff at your disposal, and, if accepted, are to be entered in our Returns books, and the annual values shown in our Returns are to be the book totals, which are not to be altered according to the "Valuation List." It is to be noted in this connexion that if any alterations of original declarations of values on Applications are called for, they should, if possible, be made, as at Shanghai, by the applicants themselves or initialled by them.

4.—The extension of the practice may not be easy. Indifference, if not opposition, will no doubt be met with at first in attempting to get merchants and especially brokers to conform, and applicants cannot be penalised for under-declaring values. At some ports, perhaps, merchants do not generally realise that c.i.f. values are required. One port, for instance, reports that f.o.b. values are often given, and in the case of Japanese goods "*ex* warehouse value" or "Japanese Customs value" is sometimes stated. The latter is merely a nominal value (far below the market value) which is fixed by the Japanese taxation office for the purpose of levying consumption taxes on cotton and silk fabrics and which has to be declared to the Japanese Customs by exporters in order to get drawback of the consumption tax. At some, and probably most, ports it is the custom to declare a round sum of more or less 20 times the duty as value, and this method will continue to have attractions to merchants as being easy and sufficiently approximate. It is quite understandable, too, that for business reasons merchants, and especially those who employ brokers, may be unwilling to state true c.i.f. values. Not much assistance is therefore to be expected from merchants or brokers. We shall have to trust mainly to our own resources for verification.

5.—It is with Examiners that the first and principal verification of the values of Tariff goods must necessarily rest; but Examiners, whose duty it is to ascertain market values, rightly devote their

attention principally to the values of goods which pay *ad valorem* duty, and the trouble and uncertainties frequently experienced in obtaining this information, as well as in many cases pressure of examination work, are apt to leave them with little leisure or inclination to inquire closely into the valuation of specific-duty-paying goods—a matter which does not immediately affect revenue. On the one hand, therefore, it is essential that there should be no relaxation of their attention to the particulars required for the assessment of duty, nor should there be any detention of Tariff goods after examination for the sole purpose of ascertaining market values; on the other hand, if an Examiner's knowledge of values does not extend to Tariff goods, both time and probably reliable Weighers will be required to make the necessary inquiries. The object to be aimed at, however, is the verification of such values at time of examination, and this can best be done for most articles by keeping samples and value lists up to date. If the instructions of Circulars Nos. 2487* and 2588† concerning samples have been systematically carried out, any extra work involved in ascertaining local values of Tariff goods should not prove very burdensome. It is to be remembered that this Circular refers only to the values of foreign Tariff goods imported direct into your port (including transhipments from Shanghai, etc.); and, to begin with, if there are many cases of marked discrepancies between applicants' values and port values, in which applicants adhere to their declarations, and if verification is found to be too much of a tax on your present staff, inquiries need only be made concerning those goods whose annual average value amounts to about *Hk.Tls.* 30,000, provided that goods of similar description are imported into Shanghai or Canton, or concerning those goods whose annual average value amounts to about *Hk.Tls.* 10,000, if goods of similar description are not imported at all or only in small quantities into Shanghai or Canton. But reference books should be kept of cases where there are marked discrepancies when applicants adhere to their declarations.

The next opportunity for verification will lie with the Memo. Desk, where the Assistant in charge may possess special knowledge of values. But verification at the Memo. Desk can only be done incidentally at times when work is not pressing. Its attention must be concentrated on the correct assessment of duty, and Applications should not be held longer than is necessary for this purpose.

In the Returns Office, however, it must be part of the duty of the Clerk or Clerks who summarise foreign imports to check values as stated on Applications with the port value list and report discrepancies.

* *Antea*, vol. iii, p. 294.† *Antea*, vol. iii, p. 371.

6.—It will be seen from the above remarks that it will be necessary for you to supervise personally the introduction of the new method, and I have to request you to give special attention to this question. Samples and port value lists should be inspected quarterly by you or by Deputy Commissioners as well as by Appraisers or senior Examiners. In addition to the port value lists supplied to Examiners, two or more copies should be supplied to the General and Returns Offices, and Clerks as well as Assistants should be directed to look out for valuation discrepancies. A quarterly list of alterations in Shanghai and Canton values will in future be issued by the Statistical Department, and such alterations are to be recorded by ports in three corresponding columns to be added to the annual "Valuation List." Differences between port values and Shanghai or Canton values should be reported by the Assistant in charge of the Returns Office to the Commissioner. Commissioners should also give such special assistance as they can to Examiners in obtaining information of values, either locally or from other ports; and it is possible that at some ports, by redistribution of examination work, one or other Examiner with special aptitude, if the senior Examiner is too much occupied with current work, may be given time occasionally during business hours to make inquiries. If it appears advisable later, special arrangements will be made for periodical visits of Examiners from the larger ports to Shanghai to discuss values with the Appraising Department.

7.—It will be as well also to address Chinese and foreign chambers of commerce and request their co-operation. In so doing you should point out the importance to China of the correct valuation of her trade from the point of view of international statistics; you may also mention that the correct statement by applicants of values of specific-duty-paying goods will be of assistance to the next Tariff Revision Conference, and that though at first sight this argument may rather be an inducement to under-declare values, the next Tariff revision will in all probability be more drastic than the last one, and obvious under-declarations, so far from furthering the interests of merchants, will be liable to be heavily discounted in the light of other evidence that may be brought forward. To guard against the assumption that the values of specific-duty-paying goods as stated by applicants are accepted by the Customs without reserve, the following note will be added at the head of the expanded foreign Import tables of the major ports and at the beginning of the new Part II and also of the Statistical Secretary's Abstract of Statistics: "The valuations of

specific-duty-paying goods are compiled from applicants' statements, and, in the absence of the right to demand production of duly certified invoices, are published with reserve."

8.—In spite of the efforts that will thus be made to obtain correct values, considerable discrepancies may, I am afraid, be found between the valuations of some articles as compiled from Applications and the valuations that would be assigned if values were calculated from the "Valuation List." I have therefore to request you, when forwarding your Annual Returns for 1921, to add a table for the Statistical Secretary's information showing the values of specific-duty-paying foreign goods of an annual value of *Hk.Tls.* 10,000 or over as returned, and the values that would have been assigned had they been calculated according to the Shanghai or Canton "Valuation List," as the case may be.

9.—In conclusion, I have to draw your attention to the rule that values once given to foreign goods at the first port where duty is paid have to remain attached to them in all subsequent manipulations—re-export, reimport, inland transit, etc. Accordingly, such values must invariably be stated on Exemption Certificates.

I am, etc.,

F. A. AGLEN,
Inspector General.

CIRCULAR No. 3144 (SECOND SERIES).

**Consular invoice to accompany goods shipped from Norway to China:
introduction of, notified; instructions.**

INSPECTORATE GENERAL OF CUSTOMS,
PEKING, 22nd March 1921.

SIR,

1.—I append, for your information and guidance, copy of Shui-wu Ch'u despatch No. 338, from which you will see that the Norwegian Government has approved of a form of Consular invoice to accompany goods shipped from Norway to China and has notified those concerned through the proper channels that these invoices

were to come into use on 1st December 1920. The form, which is a provisional one, will be found as an enclosure in the Ch'u's despatch.

2.—The question of requiring certificates of origin to accompany foreign imports was taken up by the Chinese Government when it was decided to adopt a discriminative tariff for goods imported from enemy and non-Treaty Power countries, but the Government did not succeed in obtaining general assent to the measure. This is to be regretted, because without such certificates our returns can only be considered approximately accurate where they profess to give the provenance of goods imported, and the public, in whose interest they are published, suffers. The Norwegian Consular invoice, which purports to be modelled on the American document, serves, as you will see, the purpose of a certificate of origin, and it is to be hoped that the example now set by Norway will be followed by other States. It is presumed that before goods can be shipped from Norway to China it is obligatory on the merchant to make out this invoice and to have it signed by the Chinese Consul General at Christiania, though this point is not clearly brought out in the Chinese correspondence. It may, however, be assumed that all goods imported from Norway will be accompanied by this document, and you are accordingly to call for it and to see that the particulars, more especially in regard to origin and value, are properly recorded. The correspondence is not explicit on one other point, and that is whether we are to consider the Norwegian Government's approval of the form and instructions that it is to be adopted as giving us power to enforce production at this end. You are to proceed on the assumption that they do so and are to report officially the first case of refusal to produce the Consular invoice that occurs.

3.—While you will give special consideration in the matter of examination to goods covered by these official documents, you are not to waive your right to examine.

I am, etc.,

F. A. AGLÉN,

Inspector General.

ENCLOSURE.

稅務處令第三三八號 中華民國十年三月十七日

案查挪威來華船貨請領憑單一事前於民國九年六月間准外交部轉准駐英施公使將駐挪威總領事所擬仿照美國成式之單式備文咨送本處核辦本處當以前項單式尙無不妥之處在產地證明書辦法未經確定施行以前原可暫准行用惟宜先得挪威政府同意由該政府令該國商民一律領用庶將來由該國來華船貨不致或領憑單或不領憑單參差不齊轉難對付應由外交部先將此意轉達施公使請其取得挪威政府同意後再定期實行一面將實行日期知照本處以便令關接洽等語咨復外交部在案茲於本年三月十日接准外交部來咨內稱准咨當即轉行駐英使館照辦去後茲准該館於九年十二月十五日來函稱現據駐挪威總領事來函以挪威貨物運往中國發給憑單辦法已定自本年十二月一日實行挪政府商務機關方面業經請爲通知各商行接洽云云除函復外應請查核辦理等因並附憑單三份到部除分咨財政部農商部外應檢同原送憑單一份咨行查照備案並希令關遵照等因前來本處復查挪威運華貨物領取憑單辦法既已實行所有自上年十二月一日以後由挪威起運來華貨物除屬於禁制品仍按向章辦理外其餘貨物應即由進口之海關驗明憑單徵稅放行除分行外相應照印憑單式樣一份令行總稅務司轉令各海關稅務司遵照辦理可也此令 附件

SUB-ENCLOSURE.

CONSULAR INVOICE.—CHINA.

(Provisional.)

We declare hereby that the goods specified in the Invoice below are of..... origin and that the particulars given are correct in all detail. The goods are destined to..... , the name of the consignee being..... , in.....

CHRISTIANIA,..... 19... .

.....
Signature of the Agent of the Exporter.

MARKS NUMBERS.	NUMBER OF PACKAGES.	WEIGHT OR QUANTITY.	TOTAL VALUE, C.I.F.	CONTENTS.	REMARKS.

This Certificate is valid for not more than.....

A fee of *Kroner*..... has been paid.

.....
Consul General.

(Date).....

CIRCULAR No. 3154 (SECOND SERIES).

Promotion, In-door Staff: I.G.'s remarks.

INSPECTORATE GENERAL OF CUSTOMS,
PEKING, 13th April 1921.

SIR,

1.—The present system of promotion in the In-door Staff (selection for the ranks of Commissioner and Deputy Commissioner and seniority—as a general rule in the absence of definite disqualification—for Assistants) seems to have given rise to a certain amount of misapprehension. Men have assumed that, as long as work and conduct are adequate in the class in which they happen to be, they are entitled in due course to seniority promotion to the next class. Unfortunately, this cannot be the case, and in order to dissipate any misconception which may exist and to explain the reason why Assistants, more especially in the senior ranks, have occasionally to be passed over for promotion, I find it necessary to make the following remarks.

2.—When a man has reached the rank of Second Assistant, or sometimes even earlier in his career, he may suddenly be called upon to assume the work and responsibility of a rank higher than that which he actually holds, and the knowledge and capacity which have been adequate to the work which he has hitherto performed are not necessarily equal to the position in which he may find himself. From a position in which he may merely have had to carry on routine work under the supervision of a senior he may find himself called upon to take charge of a busy and important desk or office in a large port; to assume the work and responsibility of a senior Assistant or Deputy Commissioner at a port or at the Inspectorate General; or perhaps to take charge of a port for a longer or shorter period. In fact, from performing duties of a merely clerical nature an Assistant may, without notice, be required to exhibit (in addition to the possession of the necessary technical knowledge of Chinese and Customs work) the qualities of leadership and the power to take responsibility. Under the system of promotion by seniority there is evidently a danger that some men will reach the position of senior Assistant with, perhaps, an adequate knowledge of Customs affairs but without the possession of these requisite qualities of command. Or it is possible in some cases that, while the power of leadership is there, the knowledge of Chinese or of Customs work necessary for a senior rank is lacking.

In such circumstances, as men approach the senior ranks, great care in promotion has to be exercised in order to secure that they are really fit for the work which may be put in their hands; and this implies, of course, that some men who are deficient in one respect or another have necessarily to be passed over for promotion. I am always most reluctant to pass over men, and I would wish for nothing better than that all were competent for the higher posts and all could go up in turn; but as that is not the case, and, indeed, could not possibly be the case in any service, I am compelled in some degree to make selection and pass over from time to time men who, it is obvious, are unable to meet the requirements of a higher position. I fully recognise the feeling of disappointment and chagrin to which this action must give rise, and I am most unwilling to inflict it, but the alternative being to put men into positions for which they are unfit, at the expense ultimately, of course, of the competent men, I see no way of avoiding it. My hope, however, is that men thus passed over will by no means lose heart, but make every effort to remove the disability which stands in their way. This once removed, their promotion, of course, goes on as usual.

3.—While writing on the subject of promotion in the Assistant ranks, I would like you to note that what I have said regarding the qualities of leadership among foreign Assistants applies also to Chinese Assistants. An Assistant, foreign or Chinese, must be a man who, after a few years of preliminary training, is able to take, in some capacity or other, command. To answer the query in a Confidential Report “Able to command others?” in the negative, and then to recommend a Chinese Clerk or Chienhsi as being fit for an Assistantship, is a contradiction in terms. The very quality which is most needed is lacking. Many men have a capacity to perform successfully clerical and routine work, even if such work should be of a complicated nature; but the man who has such a grasp of principle that he can instruct others, and sufficient strength of personality to induce others to follow him,—this is the type of natural leader who must forge to the front in our In-door Staff.

I am, etc.,

F. A. AGLEN,
Inspector General.

CIRCULAR No. 3161 (SECOND SERIES).

Yangtze Lights: reorganisation of administration of; modifications in previous instructions rendered necessary by division into three administrative sections, subdivided into districts, notified.

INSPECTORATE GENERAL OF CUSTOMS,
PEKING, 30th April 1921.

SIR,

1.—For the past 10 years the development of our Yangtze Lights service has had my serious attention. In 1911 an improved system of control was introduced for the Lower River, and Circular No. 1780 * of that year laid down certain main principles upon which reorganisation, embodying centralisation and co-ordination of administration, was to be based. The establishment in 1915 of the Upper Yangtze River Inspectorate, with head-quarters at Chungking, marked a further step forward, and the pioneer work done by the late Captain Plant in the upper reaches of the river has elicited well-deserved recognition from all sides. Shipping interests on the Middle Yangtze have also been considered, and the District River Inspectorate recently opened at Yochow, with control over the aids in this section, including the Tungting Lake, the Siang and Yüan Rivers, is a further development. The growing importance of Hankow and the increased draught of vessels navigating the Lower Yangtze have also rendered necessary a closer supervision of the aids and channels in this section, and with this end in view a District River Inspector has been appointed for the Wuhu and Chinkiang districts, with head-quarters at Wuhu.

2.—Much, therefore, has been done during the past few years, and while the general principles laid down in paragraphs 1, 2, and 3 of Circular No. 1780 remain unchanged, certain modifications are required in § 4, which is now to read as follows:—

- (a.) The Commissioners' authority over the Lights administration of their districts is maintained.
- (b.) The Yangtze River has been divided into three administrative sections, subdivided into districts:—

Lower Yangtze Section (three districts):

Wuhu: Vine Point to Tatung.

Kiukiang: Tatung to where the Matsushan touches the river below Wusüeh.

* *Antea*, vol. iii, p. 1.

Hankow: from where the Matsushan touches the river below Wusüeh to Singti.

Middle Yangtze Section (four districts):

Yochow: Singti to Low Point on the Yangtze; Tungting Lake, including the Yüan River and Lolintan on the Siang River.

Shasi: Low Point to Tungshih.

Ichang: Tungshih to Ichang.

Changsha: Lolintan and the Siang River above.

Upper Yangtze Section (two districts):

Ichang: from outside harbour limits of the port to the Szechwan-Hupeh boundary.

Chungking: from the Szechwan-Hupeh boundary to Chungking.

- (c.) The River Inspector's control at Kiukiang, Yochow, and Chungking of the technicalities of river work is to be made as effective as existing Customs organisation generally admits of.
- (d.) At Hankow and Wuhu the executive control of aids to navigation is to be placed in the hands of the District River Inspectors (Lights Staff), subordinates of the River Inspector (at Kiukiang), and they will carry out the instructions of the River Inspector, subject to the approval of their respective Commissioners.
- (e.) At Kiukiang, Yochow, and Chungking the executive control of aids to navigation is to be placed in the hands of the River Inspector, under the Commissioner.
- (f.) At Shasi, Ichang, and Changsha the executive control of aids to navigation will be placed in the hands of the Harbour Masters, under their Commissioners, with, however, limitations of their functions as regards light-boats and channels, which will be placed in the care of the River Inspector, under the Commissioners concerned.
- (g.) In all districts matters of pay, discipline, and authority for expenditure rest entirely with the Commissioner,

advised by the River Inspectors and District River Inspectors (at Shasi, Ichang, and Changsha by the Harbour Masters).

- (h.) In all districts and Yangtze ports, whether there is a representative of river administration or not, the co-operation of the Harbour Master is desired.

I am, etc.,

F. A. AGLLEN,
Inspector General.

CIRCULAR No. 3168 (SECOND SERIES).

**Chinese Tidewaiters: establishment of Training School for recruits:
copy of correspondence and report on, circulated.**

INSPECTORATE GENERAL OF CUSTOMS,
PEKING, 20th May 1921.

SIR,

1.—During the past six years various Circulars have dealt with the subject of the employment, pay, and treatment of Chinese Tidewaiters, and in Circular No. 3065* you were informed that it had been decided to proceed with the recruitment and organisation of Chinese Tidewaiters upon a defined system.

2.—With a view to producing, by a course of discipline and physical training, some improvement in the *moral* and physique of the raw recruit in addition to giving him some regular training in the ordinary daily duties of a Customs officer, it was decided, during the summer of 1920, to establish a Training School in Shanghai, under the supervision of a specially selected member of the Out-door Staff, who was to be directly responsible to the Chief Tidesurveyor.

The first course of training began on the 16th October 1920, and I now circulate for the information of the Service copy of correspondence that has passed with the Shanghai Commissioner in this

* *Antea*, vol. iii, p. 552.

connexion, together with a memorandum by Mr. C. B. V. Golding,* Acting Chief Tidesurveyor, and the report of Mr. G. E. Marden,† Acting Assistant Boat Officer, in charge of course of instruction.

3.—Judging from the report and the photographs attached to it, the experiment gives cause for satisfaction, and it is hoped it will aid in providing the Service with a useful class of Out-door employé.

I am, etc.,

F. A. AGLEN,
Inspector General.

ENCLOSURE No. 1.

The Inspector General to the Shanghai Commissioner.

No. 12,055. Commrs.
Shanghai. No. 79,776.

PEKING, 20th August 1920.

SIR,

1.—With reference to Circular No. 3065, on the subject of the organisation of:

Chinese Tidewaiters:

and to my telegram of 12th August, and your reply of 16th August, with reference to the quarters available for Chinese Tidewaiters at

* Cecil Bouverie Valentine Golding was born on the 26th February 1879 at Great Crosby in Lancashire. After seven years' service in the mercantile marine and one and a half in the London Fire Brigade, Golding joined the Customs Service at Shanghai on the 13th October 1903 as a Watcher. He passed quickly through the various Tidewaiter ranks and became a Boat Officer on the 1st March 1914, Assistant Tidesurveyor on the 1st June 1918, Tidesurveyor, B, on the 1st March 1919, and Chief Tidesurveyor on the 1st December 1921. He was invalided from the Service on 31st December 1928. Golding served 17 out of his 25 years' career at Shanghai, two and a half years at Tientsin, one year at Canton, and two at Foochow. He holds the Order of the Chia Ho, 5th and 4th Classes.

† George Ernest Marden, original name George Ernest Ludwig Gumprecht, was born on the 3rd July 1892 at High Beech, Essex, England. After serving for two and a half years in the British Army, he joined the Customs Service at Canton on the 1st September 1913 as a Watcher. On the outbreak of the Great War Marden rejoined the British Army, serving first in the infantry and later, from August 1917, in the Royal Air Force. He was through the battles of Neuve Chapelle, Aubers Ridge, Loos, and Hohenzollern Redoubt, and was twice wounded. He was demobilized on the 28th June 1919 with the rank of Lieutenant, having been twice mentioned in despatches and decorated with the Military Cross, the 1914-15 Star, the General Service Medal, and the Victory Medal. He rejoined the Customs Service after demobilization, and became Assistant Boat Officer, A, on the 1st February 1923. On the 31st December 1924 he resigned in order to start what is now the well-known firm of Marden & Co., Transport and Forwarding Agents and Customs Brokers.

Shanghai, I have now to confirm the instructions already given you that these quarters are to be got ready for occupation.

2.—Shanghai has, it appears, nine unmarried Chinese Tidewaiters on the staff. You will, under the Circular instructions, be recruiting 10 probationers, and Kowloon will be sending you for training the 10 probationers recruited there. Supposing, as seems not unlikely, that six of your young married Tidewaiters may be willing to leave their families for a time and live in the quarters to have the advantage of a course of training, you will have your complement of 35 men. It would be well to keep the quarters full if you are able to do so.

3.—The quarters are to be provided with such simple native furniture as is necessary and are to be put under the charge of a specially selected member of your Out-door Staff, who will be directly responsible to the Chief Tidesurveyor for the training of the men, the supervision of them at their work, and the maintenance of order and discipline in the quarters. It would be well if this officer could be of Tidesurveyor, Assistant Tidesurveyor, or Boat Officer rank; but rank is of less importance than the possession of the necessary qualities of powers of organisation and command. You are requested to report the name of the officer you select for this duty, with any suggestion you may have to make as to acting rank and special allowance, should you consider such desirable. Part of his duty would presumably be the systematic inspection of the men at work at their various stations.

4.—The men will have to pay for their own food and keep their own quarters clean, but it will be necessary for the Service to provide such cooks as are necessary and coolies for general cleaning purposes. Perhaps the best arrangement would be a mess somewhat on the lines of that of the foreign Tidewaiters, a steward contracting to supply meals of a certain standard and quality for a fixed monthly payment from each man. A bath-house suitable to native ideas should be supplied and the men obliged to make use of it. Absolute cleanliness and sanitation in the quarters is to be insisted upon.

5.—The Chinese Tidewaiters living in the quarters should be put upon regular duty daily like the other Customs officers, so that they may learn their work; but, in addition to the inspection already alluded to, arrangements should also be made—a military instructor being engaged for the purpose if no member of our Staff can undertake the work—for regular physical drill, while encouragement should be given to those who wish to continue their English or Chinese studies. After six months or so of this treatment it is to

be hoped that the men would be sufficiently trained to be available for transfer to other ports or pass on to ordinary Tidewaiter work in Shanghai.

6.—I should be much obliged if Colonel Bell would draw up a code of regulations for the control and training of these men, with rules for the quarters, and if you would submit them here for approval. The idea would be to see if, by a system of discipline and physical training, we could not produce a marked improvement in the *moral* and physique of this class of man. They should be taught to be smart in dress and bearing, to take a pride in their work and position in the Service, and encouraged to endeavour to be a credit to it. The experiment of training the men in barracks is only to be tried for the present in Shanghai. It is only an experiment, of course, but it is hoped that it will have useful results and aid in providing the Service with a useful class of Out-door employés.

I am, etc.,

C. A. V. BOWRA,
Officiating Inspector General, ad interim.

ENCLOSURE No. 2.

The Shanghai Commissioner to the Inspector General.

No. 16,932.

I.G.

SHANGHAI, 30th April 1921.

SIR,

I have the honour to transmit herewith a memorandum by the Acting Chief Tidesurveyor, giving cover to a report (accompanied by photographs) by Mr. G. E. Marden, Acting Assistant Boat Officer, who is in charge of the Training School for Chinese Tidewaiters, upon the results of the experiment initiated under authority of your despatch No. 12,055/79,776, and I venture to think that you will agree with me that these results are, on the whole, very satisfactory and that the photographs show evidence of

excellent physical training. Mr. Marden is an ideal man for the post he occupies, and exercises a personal influence over the men, to which they seem to respond in a very gratifying way. Some failures there have been and must always be amongst men recruited from all classes and from all parts of the country; but there is no doubt that, given sound and intelligent training and sympathetic treatment, the Chinese Tidewater is destined to become a valuable asset to the Service, although the Chief Tidesurveyor is not sanguine about their utility in searching work. I think, however, that, even in this respect, time and experience may prove that he is too pessimistic.

Your Circular No. 3065 authorised the Commissioner at each recruiting centre to engage 10 Probationary Tidewaterers in addition to whatever other Chinese Tidewaterers he might then have on his staff, but restricted the total number to 10—presumably as vacancies were created by transfer to other ports,—an exception being made in favour of Shanghai, where the 10 Kowloon recruits were to be sent for training. It was also provided that vacancies occurring amongst the Kowloon recruits should be filled by indenting on the Commissioner at the latter port. The building now in process of completion for occupation by the Shanghai complement of Tidewaterers will accommodate 20 or 21 men, but its situation—on the Pootung side of the river—makes it unsuitable and inconvenient for those who have passed out of the Training School and are performing ordinary Tidewaterers' duties. I would therefore take the liberty to suggest that, in view of the success which has attended the establishment of the Training School here, vacancies caused by the transfer of trained recruits to other ports should be filled from other recruiting centres—not exclusively from Kowloon or locally,—so that at any time the numbers in training should not exceed the 20 in the school here and the number of Probationary Tidewaterers at the other four recruiting centres (other than Kowloon), which must necessarily depend on the number of confirmed Tidewaterers authorised to be carried on the strength of those ports. In other words, I would propose that the Training School here be kept entirely for training 20 Probationary Tidewaterers from whatever source recruited, and that vacancies caused by transfer under your orders should be filled by drafting from other recruiting centres or by local recruitment, according as you may direct. You will observe from the Chief Tidesurveyor's report that our staff of Chinese Tidewaterers now consists of 30 men, of whom 17 are on ordinary duty and the remainder in training. We are consequently 10 in excess of the total number allowed by Circular; but we are at

the same time seven short of the number of recruits which the new barracks are designed to accommodate. If we are to allow our numbers to recede to the normal maximum by leaving vacancies unfilled, we may be unable to carry out your instructions to maintain the Kowloon complement at full strength, and we might, equally possibly, have no probationers in training, in which case Mr. Marden would have to revert to his normal duties and the teacher of English would have to be discharged. All this, I think, would be a pity, and I therefore venture to hope that you will see your way to making this the head centre for the training of recruits on the lines I have indicated.

Should you approve of this suggestion, I would further recommend that each training course should be of full six months' duration, commencing in April and October, and that, unless absolutely necessary, transfers from or to the Training School should not take place during that period.

I have, etc.,

E. GORDON LOWDER,*

Commissioner.

* Edward Gordon Lowder was born on the 15th September 1862 at Kanagawa in Japan, and joined the Customs Service at Foochow on the 1st September 1882 as a 4th Assistant, B. During his first term he served at Foochow, Peking (studying Chinese), and Kiukiang, and during his second at Tientsin, Hankow, Wuhu, Lappa, Foochow once more, and Shanghai, at which port he was Assistant Secretary at the provisional Inspectorate in 1900 and 1901. On return from long leave he was again stationed at the provisional Inspectorate in Shanghai, holding there the posts of Assistant Secretary and Acting Audit Secretary. On the closing of the provisional Inspectorate he was transferred to Peking, where he was promoted Deputy Commissioner on the 1st January 1906 and Commissioner on the 14th February 1908, and where he made his mark as Audit Secretary in dealing with Service accounts. He made a tour of the ports as Audit Secretary in 1909, after which he officiated as Commissioner at Shanghai. Subsequently he was Commissioner at Newchwang, Kowloon, Amoy, Hankow, and again at Shanghai. He was superannuated on the 14th September 1922. Lowder holds Civil Rank of the 4th and the 3rd Classes; the Order of the Double Dragon, 1st Class of the 3rd Division; the Order of the Chia Ho, 3rd Class, 2nd Class, and 3rd Class with Brilliants; and the China Expedition Medal, 1900, Great Britain.

SUB-ENCLOSURE.

The Acting Chief Tidesurveyor to the Shanghai Commissioner.

SHANGHAI, 26th April 1921.

SIR,

I have the honour to submit a report on the course of instruction of Chinese Tidewaiters which has just been completed. I also attach a report by Mr. G. E. Marden, Acting Assistant Boat Officer, who has been directly in charge of the men.

Mr. Marden's report deals with the system of training which has been adopted, and as I am able to endorse all he says, I will not refer to it any further.

I wish to speak of the system of recruiting. The Shanghai men come from provinces as widely distant as Anhwei, Fukien, and Shantung, and it has been possible to obtain men of good physique and smart bearing, coupled with the other qualifications we require, without very much trouble.

The 10 Kowloon recruits were not satisfactory as a body, some of them being undersized and physically weak, and I feel that the system of recruiting must be defective, as, when serving in Canton, I have had a number of really good men on the staff there.

I regret to say that I am unable to recommend three of the Kowloon recruits to you for confirmation.

The course of instruction the men have been under has shown very good results, and they now are very fairly conversant with their duties as Tidewaiters; all that remains is to see how far they will maintain and increase the degree of efficiency they have reached, now that the system of close supervision is of necessity relaxed.

I propose now, with your approval, to place these men on ordinary Tidewaiter's duties, with the exception of the searching parties, as I do not think they will ever, as a class, make good searchers.

A case came to notice where the honesty of two of the men was in question. They were accused of demanding a bribe, but the charge was not proved, the accuser withdrawing from the case and was unable to produce others who were said to have been witnesses.

Generally speaking, the men show considerable pride in the Service and keep themselves neatly dressed. The physical training has had a marked effect on their bearing.

It is expected that the new quarters will be ready in June, and when they are able to move in, their conditions of living will be considerably improved. In my opinion the results have justified the experiment, and I have little doubt but that in the future Chinese Tidewaiters will be able to take their place with the foreign Tidewaiters, providing they are properly supervised.

A new course is about to be commenced, and it was the intention to arrange it on similar lines to the one just completed, but I now find that no recruits are to be expected from Kowloon. The number now in the school is: three men with from one to three months' service, and 10 new recruits.

The staff of Chinese Tidewaiters now on ordinary duties is 17, *i.e.*, the same number as in October 1920.

Of the 20 recruits engaged last October (10 in Shanghai and 10 in Kowloon), three Kowloon recruits were found unfit for confirmation and four were transferred, thus leaving seven vacancies. If these vacancies are filled, it will be possible to continue the course on similar lines to the last one, otherwise the steward will not be able to provide food for the smaller number at a reasonable charge, neither will it be a paying proposition to continue the engagement of the teacher of English.

I.G. Circular rules that "the number of Chinese Tidewaiters on the staff in Shanghai shall not exceed 20 Probationary and 4th Class Tidewaiters." We have at present 30 men, but the 13 recruits are not available for ordinary duties, as the report on the system of training will show.

The new building in course of erection will accommodate 20 or 21 men.

I beg to recommend that—

1. The Training School be kept at a minimum of 20 men.
2. The course of training, as just completed, be repeated six-monthly, and if to engage 20 men from Kowloon and Shanghai every half-year will provide too many men, then that the number be made up from the other ports authorised to engage men.

From my experience in other ports I cannot see that it is possible to employ such an efficient method of training as has been carried out here, where the supervision has been very complete and the opportunities for instruction varied and numerous.

It has been said that the men could continue to live in the barracks at Pootung after the course was completed. This would prove very inconvenient, as a special ferry service would be required to bring men over for night duty, etc.

I have, etc.,

C. B. V. GOLDING,

Acting Chief Tidesurveyor.

REPORT ON COURSE OF INSTRUCTION FOR CHINESE OFFICERS OF THE OUT-DOOR STAFF, SHANGHAI.

FIRST COURSE.—SIX MONTHS COMMENCING 16TH OCTOBER 1920.

The course commenced with two 3rd Class 'Tidewaiters, seven men engaged during the previous five months, and 10 new men. The 10 Cantonese arrived on the 13th November 1920, two new men being added locally in the meantime. One day was spent in settling down, becoming acquainted with the rules of the quarters, etc., and on the 17th October 1920 training began on the following lines:—

- (1.) A period of physical training before breakfast.
- (2.) A lecture on a particular phase of a 'Tidewaiter's duty and a lecture on general lines from 9 to 11.45 a.m.
- (3.) Practical instruction in duties aboard vessels, etc., in the afternoon from 1 to 5 p.m.

Physical Training.

The method followed was mainly that laid down for the physical training of recruits in the British Army, with the partial omission of the marching exercises and the addition of a daily run over obstacles, etc. Strict discipline was maintained from the commencement, and when the 10 Cantonese arrived on the 13th

November 1920 the class was moving in a very fair manner. Somewhat slower progress was necessary during the next month owing to the inferior physique of some of the Cantonese, but all, except one or two, showed a decided aptitude for the Swedish drill, and by the end of December the class was again moving well. By this time, too, the period occupied had increased from 30 to 50 minutes each morning. Some of the men requested that they should be allowed to play football in the morning occasionally, but after a trial this was abandoned, as only about half a dozen of them would play sufficiently keenly to justify it being substituted for the drill.

During the morning inspection before drill it was at first necessary to impress on some of the men the necessity for strict personal cleanliness, but they rarely offended twice on this score.

The class was inspected at drill by the Chief Tidesurveyor on the 14th March 1921, and the attached photographs were taken:—

(A.) "On the hands—down."

(B.) "Heels raise and knees full bend—arms sideways stretch."

(C.) "On the bench—down: rear rank—support, arms bend."

Morning Lectures.

The first general lecture was on "The Institution of the Chinese Maritime Customs, and why it is under Foreign Supervision." The notes for this were taken from "Trade and Administration of the Chinese Empire" (Morse). They included such subjects as "Dress and Deportment when in Uniform," "How to act when taking Meals in a Ship's Saloon," "Bearing of a Customs Officer toward the Public." Whenever a complaint of any description had been made against one of the officers, the offence was made the subject of a short talk, with generally good results.

The other lecture took in, one by one, all the Customs forms and documents that a Tidewaiter would be likely to meet with. The necessity for their issue was explained, and, as far as possible, they were instructed to inspect on board a vessel in the afternoon the particular document they had learnt about in the morning. The General Discharge Permit, the Overside Permit, Munitions of War Permit, and the Shipping Order were the first to receive attention. Abbreviations in common use on Shipping Orders,

styles of packing, judging tare, and shipment of bunker coal, stores, ballast, etc., followed, until at the end of December most of the men were thoroughly conversant with all the forms and, as was found in the afternoons, understood their use. Measurement of timber, night-working permits, landing of passengers at night, as well as such simple things as "Customs day," "Customs working day," and "Customs working hours" were fully explained.

Many words and terms in common use in the Service were, of course, quite strange to many of the men, but once they had realised that the officer in charge of the course was appointed solely to help them, they did not hesitate to ask for explanations. Just at first there was a tendency on their part to say nothing, even though the meaning of the lecture was obscure. As a step towards improvement in this connexion, each morning two or three men would be ordered to read out from their note-books their experiences on duty the previous afternoon, and the whole class would then be asked to comment on them.

Holiday section duty was next gone into, and this important part of a Tidewater's duties at Shanghai was subsequently carried out satisfactorily by most of the men during the New Year holidays. They showed no hesitation in stopping vessels working without Permits.

The progress of the class in these lectures necessarily depended on the slower members, but efforts were made not to be tedious to the brighter men. After three months there were two sharply defined portions of the class, one of which (the majority) would answer all questions correctly and the other (consisting of four or five men) always answered incorrectly if the question were put in an unusual form.

The instruction given in English on alternate mornings showed itself at this time in a readier and fuller grasp of a question by the more intelligent men.

Practical Instruction.

The men were first sent to learn the names of the wharves and taught how to obtain the information as to destination, etc., of vessels and were then placed in pairs on board of ships which already had a special officer on duty. They were given definite instructions: *e.g.*, "See the General Discharge Permit"; if discharging into lighters, "See the Overside Permit; follow cargo on the wharf and see into which godown it goes." Then, later:

“Obtain a copy of Import Manifest, look through it and mark anything requiring a Special Permit to Discharge; make a note of the marks of some of the cargo you see being discharged and check with the Manifest”; and, still later, “Tally such-and-such a lot.”

In the case of a vessel loading they were instructed first to check marks and tally in and, later, to weigh and check weights with the Examiner's weight marked on the Shipping Order. This quickly bore fruit, and seizures of cargo with wrong marks and excess in weight became not infrequent; also alterations of Shipping Orders were detected almost from the start.

The men received instruction in baggage duties by being detailed three to each baggage party per week; inland-waters steamers duties, under the Examiner in charge of Tata Wharf; and four were instructed in Post Office work.

General.

As regards the internal economy of the course, messing was a source of some discontent at first. The members ignored the existence of the elected mess committee and addressed complaints to the steward or cook personally; but as soon as it was possible to get the committee to function freely things ran more smoothly.

Personal disputes were not uncommon, but were always satisfactorily settled by the exchange of written apologies through the officer in charge of the course.

The officer in residential charge of the quarters was appointed to hold the post throughout the course, but it is considered more desirable to make his office, in future, elective and tenable for one month only.

G. E. MARDEN,

*Acting Assistant Boat Officer,
in charge of Course of Instruction.*

ENCLOSURE No. 3.

The Inspector General to the Shanghai Commissioner.

No. 12,928. Commrs.
Shanghai. No. 84,102.

PEKING, 8th May 1921.

SIR,

I have to acknowledge the receipt of your despatch No. 16,932:

Chinese Tidewaiters: recruitment and organisation of;
report on Training School by officer in charge of, with
Commissioner's comments and suggestions, forwarding:

and, in reply, to say that I have seldom received a despatch which has given me more pleasure. I agree with you in thinking that the results are, on the whole, most satisfactory and that the photographs show evidence of excellent physical training. I desire you to convey to the Acting Chief Tidesurveyor, Mr. Golding, and to Mr. Marden my appreciation of the manner in which this experiment is being conducted and to inform the latter that I think he is proceeding on most practical and sensible lines. I have always thought that the best results would be obtained by centralising training under a capable officer and by building a course of practical instruction on a foundation of discipline and physical drill, and I wish due credit to be given to Colonel Bell, late Outdoor Deputy Commissioner, and to all who under your orders have been instrumental in starting and promoting the growth of this Training School for Chinese Tidewaiters. The recommendations you make will be carefully considered, and further instructions will be issued in a subsequent despatch; but, generally speaking, I may say that I wish the numbers to be kept up to full complement and, having found so capable an instructor in Mr. Marden, the fullest advantage to be taken of the course of instruction which promises to yield such useful results. Meanwhile, as the matter is of interest to the Service generally, I am publishing this correspondence and the report in Circular form.

I am, etc.,

F. A. AGLEN,
Inspector General.

CIRCULAR No. 3183 (SECOND SERIES).

**Sino-German Agreement, 1921: text of, circulated;
instructions.**

INSPECTORATE GENERAL OF CUSTOMS,
PEKING, 13th July 1921.

SIR,

1.—I circulate, for your information and guidance, copy of Shui-wu Ch'u despatch No. 1004, enclosing copy of the Chinese, German, and French texts of the Sino-German Agreement—which was ratified by the Chinese and German Governments on the 1st July 1921 and takes effect from that date—and of despatches exchanged in connexion therewith between the Minister of Foreign Affairs and the German Representative at Peking. Your attention is drawn to the stipulations of Article 6 of the Agreement to the effect that the French is the authoritative text in case of dispute.

2.—You will notice from the appended copy of Shui-wu Ch'u despatches Nos. 984, 985, and 986—

- (1.) That on and after the 1st July 1921, and pending the promulgation of a national tariff, German goods (and goods originating in a non-treaty country imported by Germans) shall pay, on importation into a Chinese port, duty provisionally according to the Revised Import Tariff of 1919—the Provisional Differential Tariff (*vide* Circular No. 3109)* being only applicable to goods originating in Austria and other non-treaty countries imported by Austrians and subjects of non-treaty countries; and
- (2.) That, pending promulgation of the Chinese Trade-marks Regulations, all German trade-marks which had been registered at the (Shanghai and/or Tientsin) Custom Houses shall recover their validity if they are re-registered by their owners.

(*N.B.*—Although not so stated in Ch'u despatches, it is to be understood that new German trade-marks may also be registered.)

3.—You are requested to give effect to the above ruling.

* *Antea*, vol. iii, p. 564.

4.—Any questions that may be raised from time to time in connexion with the application of the new Agreement should be referred to me for the decision of the Chinese Government.

I am, etc.,

F. A. AGLLEN,
Inspector General.

ENCLOSURE.

稅務處令第九八四號 中華民國十年七月七日

准外交部咨開案查中國現與德國重訂新約業於本月一日互換批准文件查本部致德代表復函曾聲明前在海關掛號之德國商標自本協約批准後由原主在海關重行掛號者應恢復其效力等語嗣後德商商標如欲在中國行使自應准其在海關重行掛號俟將來中國商標條例正式頒布再行查照該條例辦理應咨請查照令行總稅務司飭關遵辦等因前來除分行外相應令行總稅務司查照迅令各關稅務司遵照辦理可也此令

稅務處令第九八五號 中華民國十年七月七日

案查中德協約係已於七月一日互換嗣後凡德國貨物運進中國口岸應按照民國八年新修之稅則完納關稅及德商商標如欲在中國行使應准其在海關重行掛號等事迭准外交部來咨均經本處先後行知總稅務司轉令各關稅務司遵辦在案茲再將該協約及附件內關於前項事宜之條文應行令關知照者開列於左（一）約內第四條（兩締約國約明關稅稅則等事件完全由各該國之內部法令規定惟兩國間或他國所產未製或已製之貨物所應繳納進口出口或通過之稅不得超過所在國本國人民所

納之稅率（一）外交總長復德國卜代表公函內第四項（中國對敵通商條例）此項各種條例在協約批准日起當然失其效力 前在海關掛號之德國商標自本協約批准後由原主在海關重行掛號者應恢復其效力 在國定稅率未普通施行之前德貨入口得暫照通用稅率完納關稅（此外尚有民國九年一月間財政部所訂暫行稅率專表嗣後自無庸再施之於德貨惟對於奧貨及其他無約國貨仍應視為有效除俟咨由外交部將該協約印本送處再行發交備用外相應令行總稅務司轉令各關稅務司遵照辦理可也此令

稅務處令第九八六號 中華民國十年七月七日

准外交部咨開查中德協約係已於七月一日互換即行發生效力所有德國貨物運進中國口岸應按照民國八年新修之稅則完納關稅應咨行查照希即轉飭遵辦等因前來除分行外相應令行總稅務司查照迅令各關稅務司遵辦此令

稅務處令第一〇〇四號 中華民國十年七月九日

案中德協約及附件內有應行令關知照者本處已於第九八五號文行知總稅務司令關遵照在案茲再將該協約及其他文件印本檢具一份令行總稅務司查照迅令各關稅務司遵照此令 附件

SUB-ENCLOSURE.

中德協約及其他文件

聲明文件

大德意志共和國政府代表卜爲照會事本代表奉有正式委任以本國政府名義向

貴總長聲明如左

大德意志共和國政府意願恢復中德之友誼及通商關係

因此項關係應基於完全平等及真切相互之主義合於普通國際法之條規者

因一千九百十九年九月十五日大中華民國大總統頒布對德恢復平和之命令

因德國擔任對於中國應盡一千九百十九年六月二十八日威塞條約於一千九百二十年一月十日開始實行者第一百二十八條至一百三十四條所發生之義務

述及德國因戰事局勢以及威塞之條約勢不得已而將其凡因與中國訂立一千八百九十八年三月六日之條約及其他一切關於山東省之文件而獲得之一切權利產業權特權拋棄之以此之故德國失去將以上各種權利產業權特權歸還中國之能力

又正式聲明如左

允認取消在華之領事裁判權

拋棄德國政府對於德國駐京使署所屬操場上之全部權利於中國認明威塞條約一百三十條第一項中所載之（公產）字樣係賅括該地而言

並準備將中國各處收容德國軍人之費償還中國政府

以上聲明相應照請

貴總長查照須至照會者

右照會

大中華民國外交總長顏

大德意志共和國政府代表卜爾熙署名

西歷一千九百二十一年五月二十日

聲明文件復文

大中華民國外交總長顏爲照復事茲准貴代表本日照開本代表奉有正式委任以本國政府名義向貴總長聲明如左

德意志共和國政府意願恢復中德之友誼及通商關係因此項關係應基於完全平等及真切相互之主義合於普通國際法之條規者

因一千九百十九年九月十五日中華民國大總統頒布對德恢復平和之命令因德國擔任對於中國應盡一千

九百十九年六月二十八日威塞條約於一千九百二十年一月十日開始實行者第一百二十八條至一百三十四條所發生之義務

述及德國因戰事局勢以及威塞之條約勢不得已而將其凡因與中國訂立一千八百九十八年三月六日之條約及其他一切關於山東省之文件而獲得之一切權利產業權特權拋棄之以此之故德國失去將以上各種權利產業權特權歸還中國之能力

又正式聲明如左

允認取消在華之領事裁判權

拋棄德國政府對於德國駐京使署所屬操場上之全部權利於中國認明威塞條約一百三十條第一段中所載之（公產）字樣係賅括該地而言

並準備將中國各處收容德國軍人之費償還中國政府

以上聲明相應照請 貴總長查照等語業經閱悉特此奉復須至照會者

右照會

大德意志共和國政府代表卜

外交總長署名

民國十年五月二十日

中德協約

大中華民國政府大德意志共和國政府意願以本日大德意志共和國聲明文件爲根據兩國訂立協約恢復友好及商務關係并覺悟領土主權之尊重與夫平等相互各種原則之實行爲維持各民族間睦誼之唯一方法爲此各派全權委員如左

大中華民國政府特派外交總長顏惠慶

大德意志共和國政府特派總領事卜爾熙

各委員將所奉全權文憑互相校閱俱屬妥協議定各款如左

第一條 兩締約國有互相派遣正式外交代表之權此項代表在所駐國應互相享受國際公法所承認之一切權利及豁免權

第二條 在兩締約國境內駐有他國領事館或副領事館之處彼此均有任命領事副領事或代理領事之權此項官員應享受他國同等官員之優禮待遇

第三條 此國人民在彼國境內得遵照所在地法律章程之規定有遊歷居留及經營業務或工業之權利惟以第三國人民所能遊歷居留及經營業務或工業之處爲限

兩國人民於生命以及財產方面均在所在地法庭管轄之下

兩國人民應遵守所在國之法律其應納之稅捐租賦不得超過所在國本國人民所納之數

第四條 兩締約國明關稅稅則等事件完全由各該國之內部法令規定惟兩國間或他國所產未製或已製之貨物所應繳納進口出口或通過之稅不得超過所在國本國人民所納之稅率

第五條 本日大德意志共和國聲明文件及本協約各條件當用爲商議正約之根據

第六條 本協約用漢德法三文合繕遇有解釋不同時以法文爲準

第七條 本協約應於極早期間批准於兩國政府彼此互相知照業經批准之日起即行發生效力

大中華民國十年五月二十日
西歷一千九百二十一年五月二十日
訂於北京約文共繕兩份

德國卜代表致外交總長公函

敬啓者本代表爲解釋德國聲明文件及德中協約之字句起見奉有德國政府訓令應向

貴總長聲明如左

(一) 華貨在德之關稅 協約第四款所指兩國進出口及通過之稅不超過本國人民所納之稅率一語並無

妨礙中國引用威塞條約之二百六十四條所予之利益

(二) 賠償損失 德國聲明文件內所稱準備償還中國各處收容之費一節其意當謂德國於按照威塞條約中原則賠償中國損失外德國仍願償還中國各處收容之費

德國政府擔任照已受清理之在華德僑財產所得各款之半及未受清理各產業價值總數之半隨後協定一筆整款以現款四百萬元及津浦湖廣鐵路債券交與中國政府作為戰事賠償之一部份

(三) 在德之華產 在德之華人動產及不動產於本協約批准後完全歸還

(四) 在德之中國學生 中國留德學生德國政府極願竭力幫助使其得進學堂或得有實地練習再有欲向 貴總長詢問下列各端應請答復為荷

(一) 德僑財產將來之保證 中國政府對於在中國德人和平營業能否允許給與以完全保護並除按照普通承認之國際法原則或中國法律所規定外不再查封其財產

(二) 司法保障 在中國德人訴訟案件是否全由新設之法庭以新法律審理有上訴之權並用正式之訴訟手續辦理於訟案期間德籍律師及繙譯經法庭正式認可者得用為輔助

(三) 會審公堂之案件 德僑在會審公堂原告案件中國將來如何辦理

(四) 中國對敵通商條例 此項各種條例是否在協約批准日起失其效力

(五) 中德債務之清理 中國政府是否有意加入威塞條約二百九十六條所設公共清理處

特此奉達此致

大中華民國外交總長顏

大德意志共和國政府代表卜爾熙署名

西歷一千九百二十一年五月二十日

外交總長復德國卜代表公函

敬復者頃接 貴代表來函內開爲解釋德國聲明文件及德中協約之字句起見聲明各端如左

(一) 華貨在德之關稅 協約第四款所指兩國進出口及通過之稅不超過本國人民所納之稅率一語並無妨礙中國引用威塞條約之二百六十四條所予之利益

(二) 賠償損失 德國聲明文件內所稱準備償還中國各處收容之費一節其意當謂德國於按照威塞條約

中原則賠償中國損失外德國仍願償還中國各處收容之費

德國政府擔任照已受清理之在華德僑財產所得各款之半及未受清理各產業價值總數之半隨後協定一筆整款以現款四百萬元及津浦湖廣鐵路債券交與中國政府作為戰事賠償之一部份

(三) 在德之華產 在德之華人動產及不動產於本協約批准後完全歸還

(四) 在德之中國學生 中國留德學生德國政府極願竭力幫助使其得進學堂或得有實地練習至於 貴代表詢問各節特行答復如左

(一) 中德僑民財產將來之保證 中國政府對於在中國德人和平營業允許給予以完全保護并除按照普通承認國際法原則或中國法律所規定外不再查封其財產惟德國政府對於在德華僑應同樣辦理

(二) 司法保障 在中國德人訴訟案件當全由新設之法庭以新法律審理有上訴之權并用正式之訴訟手續辦理於訟案期間德籍律師及繙譯經法庭正式認可者得用為輔助

(三) 會審公堂之案件 德僑在會審公堂原被告案件中國將來當尋一解決方法使各方面均得其平

(四) 中國對敵通商條例 此項各種條例在協約批准日起當然失其效力

前在海關掛號之德國商標自本協約批准後由原主在海關重行掛號者應恢復其效力

在國定稅率未普通施行之前德貨入口得暫照通用稅率完納關稅

(五)中德債務之清理 中國政府無意加入威塞條約二百九十六條所設公共清理處

再者因爲德國政府照以上所述擔任將戰事賠償之一部份交與中國政府中國政府擔承自簽約之日切實停止一切德人財產之清理并於收到上項償款之時及中德協約批准後將以前清理後所得各款及被扣留各產業歸還原主上列辦法對於威塞條約第一百三十三條第二句所載清理扣留及管理德人財產各事務作爲一種結束

德華銀行及井陘鑛務當由中國主管機關與之另商辦法惟北京及漢口德華未經清理之銀行房舍得照上一節辦法歸還原主

特此奉復此致

大德意志共和國政府代表卜

外交總長署名

民國十年五月二十日

L'ACCORD SINO-ALLEMAND ET LES DOCUMENTS ANNEXÉS.

Le soussigné, Représentant du Gouvernement de la République Allemande, dûment autorisé, a l'honneur de faire connaître au nom de son Gouvernement à Monsieur le Ministre des Affaires Étrangères de la République Chinoise ce qui suit:—

Le Gouvernement de la République Allemande, animé du désir de rétablir les relations d'amitié et de commerce entre la Chine et l'Allemagne—

Considérant que ces relations devront se baser sur les principes d'une parfaite égalité et d'une réciprocité absolue, conformes aux règles du droit des gens général,

Considérant que, sous la date du 15 septembre 1919, le Président de la République Chinoise a publié un mandat concernant le rétablissement de la paix avec l'Allemagne,

Considérant que l'Allemagne s'engage à remplir vis-à-vis de la Chine les obligations dérivant des articles 128-134 du Traité de Versailles du 28 juin 1919, entré en vigueur le dix janvier 1920.

Constate que l'Allemagne par les événements de la guerre et par le Traité de Versailles a été obligée de renoncer à tous ses droits, titres et privilèges qu'elle a acquis, en vertu du Traité passé par elle avec la Chine le 6 mars 1898 et de tous autres actes concernant la province du Chantoung, et se trouve ainsi privée de la possibilité de les restituer à la Chine;

Et déclare formellement—

Consentir à l'abrogation de la juridiction consulaire en Chine, renoncer, en faveur de la Chine, à tous les droits que le Gouvernement Allemand possède sur le "glacis" dépendant de la Légation d'Allemagne à Pékin, admettant que par l'expression "propriétés publiques" dans le premier paragraphe de l'article 130 du Traité de Versailles on devra également comprendre le terrain mentionné, et être prêt à rembourser au Gouvernement Chinois les frais de l'internement des militaires allemands dans les différents camps d'internement en Chine.

Le soussigné saisit cette occasion pour renouveler à Monsieur le Ministre des Affaires Étrangères les assurances de sa haute considération.

H. VON BORCH,
Représentant du Gouvernement Allemand.

PÉKIN, le 20 mai 1921.

Der Unterzeichnete, ordnungsmaessig bevollmaechtigte Vertreter der Regierung des Deutschen Reichs hat die Ehre, im Namen seiner Regierung dem Herrn Minister der Auswaertigen Angelegenheiten der Chinesischen Republik das folgende zur Kenntnis zu bringen:—

Die Regierung des Deutschen Reichs, von dem Wunsche geleitet, die Freundschafts und Handelsbeziehungen zwischen China und Deutschland wiederherzustellen, und in der Erwaegung—

Dass diese Beziehungen auf den Grundsuetzen vollkommener Gleichstellung und absoluter Gegenseitigkeit entsprechend den Regeln des allgemeinen Voelkerrechts beruhen muessen,

Dass ferner unter dem 15. September 1919 der Praesident der Chinesischen Republik einen Erlass ueber die Wiederherstellung des Friedens mit Deutschland veroeffentlicht hat,

Dass ferner Deutschland sich verpflichtet, gegenueber China die aus den Artikel 128–134 des am 10. Januar 1920 in Kraft getretenen Vertrags von Versailles vom 28. Juni 1919 hervorgehenden Verpflichtungen zu erfuellen,

Stellt fest, dass Deutschland durch die Ereignisse des Krieges und durch die Ereignisse den Vertrag von Versailles gezwungen worden ist, auf alle seine Rechte, Ansprueche und Vorrechte zu verzichten, die es auf Grund seines Vertrages mit China vom 6. Maerz 1898, sowie durch alle sonstigen die Provinz Schantung betreffenden Abkommen erworben hat, und dadurch die Moeglichkeit sie an China zurueckzugeben, sich genommen sieht;

Und erklaert in aller Form—

Der Abschaffung der Konsulargerichtsbarkeit in China zuzustimmen, zu Gunsten Chinas auf alle Rechte zu verzichten, die die Deutsche Regierung auf dem zur

Deutschen Gesandtschaft in Peking gehoerenden "Glacis" besitzt, indem sie zugibt, dass man unter dem Ausdruck "oefentliches Eigentum" im ersten Ansatz des Artikel 130 des Vertrages von Versailles auch das erwachnte Gelande zu verstehen hat

Sowie bereit zu sein, der Chinesischen Regierung die Kosten der Internierung von Deutschen Militaerpersonen in den verschiedenen Internierungslagern in China zu erstatten.

Der Unterzeichnete ergreift diese Gelegenheit, um den Herrn Minister die Versicherung seiner ausgezeichneten Hochachtung zu erneuern.

H. VON BORCH,

Vertreter der Deutschen Regierung.

PEKING, den 20 Mai 1921.

ACCORD SINO-ALLEMAND.

Le Gouvernement de la République Chinoise et le Gouvernement de la République Allemande, animés du désir de rétablir les relations d'amitié et de commerce par un accord entre les deux pays, en prenant comme base la Déclaration de la République Allemande datée de ce jour et reconnaissant que l'application des principes du respect de la souveraineté territoriale, de l'égalité et de la réciprocité est le seul moyen de maintenir la bonne entente entre les peuples, ont nommé, à cet effet, pour leurs Plénipotentiaires, savoir:—

Le Gouvernement de la République Chinoise—

Monsieur W. W. Yen, Ministre des Affaires Étrangères;

Le Gouvernement de la République Allemande—

Monsieur H. von Borch, Consul Général;

Lesquels, après s'être communiqué leurs pleins pouvoirs, trouvés en bonne et due forme, ont convenu des dispositions suivantes:—

ARTICLE I.

Les deux Hautes Parties Contractantes auront le droit d'envoyer mutuellement des agents diplomatiques dûment accrédités qui jouiront réciproquement dans le pays de leur résidence des privilèges et immunités que leur accorde le droit des gens.

ARTICLE II.

Les deux Hautes Parties Contractantes s'accordent réciproquement le droit de nommer, dans toutes les localités où s'est établi un consulat ou un vice-consulat d'une autre nation, des consuls, vice-consuls et agents consulaires qui seront traités avec la considération et les égards qui sont accordés aux agents de la même catégorie des autres nations.

ARTICLE III.

Les ressortissants d'une des deux Républiques résidant sur le territoire de l'autre auront la faculté, conformément aux lois et règlements du pays, de voyager, de s'établir et d'exercer le commerce ou l'industrie, dans toutes les localités où des ressortissants d'une autre nation peuvent le faire.

Ils sont placés, tant leurs personnes que leurs biens, sous la juridiction des tribunaux locaux; ils doivent se conformer aux lois du pays où ils résident. Ils ne payeront aucuns impôts, taxes ou contributions supérieurs à des nationaux du pays.

ARTICLE IV.

Les deux Hautes Parties Contractantes reconnaissent que toutes les matières douanières sont réglées uniquement par la législation intérieure de chacune d'elles. Toutefois, aucuns droits supérieurs à ceux acquittés par les nationaux du pays ne seront prélevés sur les produits bruts ou manufacturés d'origine d'une des deux Républiques ou d'un autre pays à leur importation, exportation ou transit.

ARTICLE V.

La Déclaration de la République Allemande de ce jour et les stipulations du présent Accord seront prises comme base pour la négociation du Traité définitif.

ARTICLE VI.

Le présent Accord est rédigé en Chinois, en Allemand et en Français; en cas de divergence d'interprétation, le texte français fera foi.

ARTICLE VII.

Le présent Accord sera ratifié le plus tôt possible et entrera en vigueur dès le jour où les deux Gouvernements ont fait connaître, l'un à l'autre, que les ratifications ont été effectuées.

Fait à Pékin, en double exemplaire, le vingtième jour du cinquième mois de la dixième année de la République Chinoise correspondant au vingt mai mil neuf cent vingt et un.

(L.S.) (Signé) W. W. YEN.

(L.S.) (Signé) H. VON BORCH.

CHINESISCH-DEUTSCHES UEBEREINKOMMEN.

Die Regierung der Chinesischen Republik und die Regierung des Deutschen Reichs, von dem Wunsche geleitet, die Freundschafts- und Handelsbeziehungen durch ein Uebereinkommen zwischen den beiden Ländern wiederherzustellen, haben, indem sie die Erklarung des Deutschen Reichs vom heutigen Tage als Grundlage nehmen und anerkennen, dass die Anwendung der Grundsätze der Achtung der territorialen Souveranetaet, der Gleichstellung und der Gegenseitigkeit das einzige Mittel ist, das gute Einvernehmen zwischen den Voelkern zu erhalten, demzufolge zu ihren Bevollmaechtigten ernannt:—

Die Regierung der Chinesischen Republik—

Herrn W. W. Yen, Minister der Auswaertigen Angelegenheiten,

Die Regierung des Deutschen Reichs—

Herrn H. von Borch, Generalkonsul.

Die bevollmaechtigten haben sich, nachdem sie einander ihre Vollmachten mitgeteilt und diese in guter und gehoeriger Form befunden haben, Ueber folgende Bestimmungen geeinigt:—

ARTIKEL I.

Die beiden Hohen vertragschliessenden Teile haben das Recht, gehoerig beglaubigte diplomatische Agenten gegenseitig zu entsenden, welche auf Grundlage der Gegenseitigkeit im Lande ihren Aufenthalt die Vorrechte und Befreiungen geniessen, die ihnen das Voelkerrecht gewahrt.

ARTIKEL II.

Die beiden Hohen vertragschliessenden Teile gewaehren sich gegenseitig das Recht, an allen Orten, wo ein Konsulat oder ein Vizekonsulat einer andern Nation errichtet ist, Konsuln, Vizekonsuln

oder Konsularagenten zu ernennen, die mit der Achtung und den Ruecksichten behandelt werden, die den Beamten desselben Ranges der anderen Nationen gewahrt werden.

ARTIKEL III.

Staatsangehoerigen einer der beiden Republiken, die in dem Gebiete der anderen sich aufhalten, steht es frei, in Uebereinstimmung mit den Gesetzen und Verordnungen des Landes zu reisen, sich nieder zu lassen und Handel oder Industrie zu betreiben an allen Orten, wo Staatsangehoerige einer andern Nation es tun koennen.

Sie unterstehen, bezueglich ihrer Person sowie ihres Vermoegens, der Gerichtsbarkeit der oertlichen Gerichtshoeefe, sie muessen sich nach den Gesetzen des Aufenthaltslandes richten, Sie zahlen keine hoeheren Steuern, Abgaben oder Kontributionen als die Landesangehoerigen.

ARTIKEL IV.

Die beiden Hohen vertragschliessenden Teile erkennen an, dass alle Zollangelegenheiten allein durch die innere Gesetzgebung eines jeden von ihnen geregelt werden. Indessen werden keine hoehere Zoelle als die von den Landesangehoerigen entrichteten erhoben, auf Rohstoffe oder Fabrikate vom Ursprung einer der beiden Republiken oder eines anderen Landes, bei ihrer Einfuhr, Ausfuhr oder Durchfuhr.

ARTIKEL V.

Die Erklaerung des Deutschen Reiches vom heutigen Tage und die Bestimmungen des gegenwaertigen Uebereinkommens werden als Grundlage genommen werden fuer Verhandlung des endgueltigen Vertrages.

ARTIKEL VI.

Das gegenwaertige Uebereinkommen ist in chinesisches, deutsch und franzoesisch abgefasst, im Falle einer Auslegungsverschiedenheit gilt der franzoesische Text.

ARTIKEL VII.

Das gegenwaertige Uebereinkommen wird sobald als moeglich ratifiziert werden und tritt in Kraft mit dem Tage, an dem die beiden Regierungen einander mitgeteilt haben, dass die Ratifikationen erteilt worden sind.

Ausgefertigt in doppelter Urschrift in Peking am zwanzigsten Tage des fuenften Monates des zehnten Jahres der chinesischen Republik, entsprechend dem zwanzigsten Mai Eintausendneuhundert und eiundzwanzig.

(L.S.) (Gezeichnet) W. W. YEN.

(L.S.) (Gezeichnet) H. VON BORCH.

PEKING, den 20 Mai 1921.

HERR MINISTER,

Im Auftrage der Deutschen Regierung beehrt sich der Unterzeichnete, in der Absicht, den Text der deutschen Erklaerung und der deutsch-chinesischen Uebereinkommens naeher zu erlaeuern, Ihnen, Herr Minister, nachstehende Erklaerungen abzugeben:—

(1.) *Verzollung chinesischer Waren in Deutschland.*—Die im Artikel IV des Uebereinkommens bezeichnete Zollreglung, nach der die Einfuhr-, Ausfuhr- und Durchgangszoelle beider Laender die von den Angehoerigen des eigenen Landes, zu zahlenden Zollsaeetze nicht uebersteigen duerfen, hindert China nicht, sich der im Artikel 264 des Versailler Vertrags gegebenen Vergunstigung zu bedienen.

(2.) *Ersatz von Schaeden.*—Die in der Erklaerung ausgesprochene Bereitwilligkeit, China die Auslagen in den verschiedenen Internierungslagern zu erstatten, ist so zu verstehen, dass Deutschland bereit ist, diese Zahlung zu leisten, neben den Schadensersatz gemaess den Grundsuetzen des Versailler Vertrags.

Die Deutsche Regierung verpflichtet sich, eine Teilzahlung von vier Millionen Dollar bar und dem Rest in Tientsin-Pukou und Hukuang Eisenbahnobligationen auf die chinesische Kriegsschadenersatzforderung in der noch zu vereinbarenden Gesamthoehe des halben Erloeses des liquidierten Vermoegens der Deutschen in China und des halben Vermoegens der Deutschen in China und des halben Wertes des Saquestrierten Vermoegens an die Chinesische Regierung zu machen.

(3.) *Chinesisches Eigentum in Deutschland.*—Das chinesische bewegliche und unbewegliche Eigentum in Deutschland wird nach Ratifikation des Uebereinkommens voll zurueckgegeben.

(4.) *Chinesische Studenten in Deutschland.*—Die Deutsche Regierung wird den chinesischen Studenten in Deutschland gern nach allen Kraeften behilflich sein, dass sie Aufnahme in den Schulen erhalten oder sich praktisch ausbilden koennen.

Ferner waere der Unterzeichnete dem Herrn Minister zu Dank verpflichtet fuer eine Mitteilung ueber folgende Punkte:—

(1.) *Kuenftige Sicherheiten fuer das Eigentum Deutscher.*—Kann die Chinesische Regierung versprechen, dass sie Deutschen in China vollen Schutz in der friedlichen Ausuebung ihres Berufes gewaehren und deren Vermoegen nicht noch einmal beschlagnahmen wird, ausser in Uebereinstimmung mit den allgemein anerkannten Grundsuetzen des Voelkerrechts oder den Bestimmungen des chinesischen Rechts.

(2.) *Rechtsgarantien.*—Werden deutsche Rechtsfaelle in China saemtlich von den neu eingerichteten Gerichten mit dem Rechte der Berufung und nach den neuen Gesetzen erledigt und wird ein ordnungsmaessiges Prozessverfahren dabei angewandt.

Duerfen fuer die Dauer des Prozesses deutsche Rechtsanwaelte und Dolmetscher, die bei den Gerichten offiziell zugelassen sind, als Rechtsbeistaende fungieren.

(3.) *Faelle vor den Gemischten Gerichten.*—Welches Verfahren hat die Chinesische Regierung fuer Prozesse vor den Gemischten Gerichten im Auge, bei denen Deutsch aktiv oder passiv beteiligt sind.

(4.) *Chinesische Bestimmungen ueber den Handel mit dem Feinde.*—Werden alle derartigen Bestimmungen mit dem Tage der Ratifizierung des Uebereinkommens hinfaellig.

(5.) *Regelung von chinesisch-deutschen Verbindlichkeiten.*—Hat die Chinesische Regierung die Absicht, dem im Artikel 296 des Versailler Vertrages vorgesehenen allgemeinen Ausgleichsamt beizutreten.

Indem ich mich beehre, das vorstehende zu Ihrer Kenntniss zu bringen, bitte ich Sie, sehr geehrter Herr Minister, den Ausdruck meiner ausgezeichneten Hochachtung zu genehmigen.

H. VON BORCH,

Vertreter der Deutschen Regierung.

(TRANSLATION.)

*Dr. W. W. Yen, Minister of Foreign Affairs, to Mr. H. von Borch,
German Representative.*

20th May, 1921.

I have the honour to acknowledge the receipt of Your Excellency's letter of even date, in which it is stated:—

“As an explanation to the German Declaration and the Sino-German Agreement, I have the honour, at the instruction of my Government, to make the following declarations:—

“(1.) *Customs Tariff on Chinese Goods imported into Germany.*—The statement that the import, export, and transit duties to be paid by nationals of either of the two High Contracting Parties shall not be higher than those paid by nationals of the country, as provided for in Article IV of the Agreement, does not preclude China from the privilege of applying Article 264 of the Versailles Treaty.

“(2.) *The Payment of Indemnity.*—The statement in the German Declaration, that Germany is prepared to reimburse the Chinese Government the expenses of the internment of German militaries in various camps of internment in China, is understood to mean that Germany, in addition to indemnifying China for her losses according to the principles of the Versailles Treaty, is also willing to refund to China the internment expenses.

“As to the indemnity for war losses, Germany undertakes to pay in advance a portion thereof in a lump sum, which represents the equivalent of one-half of the proceeds from the liquidated German property and one-half of the values of the sequestered but not yet liquidated German property, which amount will eventually be agreed upon and which will consist of \$4,000,000 in cash and the balance in Ching-P'u and Hukwang Railway bonds.

“(3.) *Chinese Property in Germany.*—The movable and unmovable properties of Chinese residents in Germany will be returned at the ratification of the Agreement.

“(4.) *Chinese Students in Germany*.—In regard to the Chinese students in Germany, the German Government will be pleased to assist them with its best efforts in securing admission to schools or acquiring practical experience.”

As to the queries addressed by Your Excellency, I have the honour to reply as follows:—

- (1.) *The Security to be given in future to the Properties of Chinese or German Residents*.—The Chinese Government promises to give full protection to the peaceful undertakings of Germans in China, and agrees not to further sequester their properties, except in accordance with the generally recognised principles of international law and the provisions of the laws of China; provided that the German Government will treat the Chinese residents in Germany in like manner.
- (2.) *Judicial Guarantee*.—Lawsuits of Germans in China shall be tried in the modern courts, according to the modern codes, with the right of appeal, and in accordance with the regular legal procedure. During the period of litigation the assistance of German lawyers and interpreters who have been duly recognised by the court is permitted.
- (3.) In regard to the lawsuits in the Mixed Court, in which Germans are involved either as one or both parties, the Chinese Government will in the future try to find a solution so as to ensure justice and fairness to all the parties concerned.
- (4.) *China's Trading with the Enemy Act*.—All the laws and regulations concerning trade with the enemy will lose their effect from the day of the ratification of the Agreement.

All German trade-marks which had been registered at the Custom House will recover their validity if they are registered again, after the ratification of the Agreement, at the Custom House by their owners.

Prior to the general application of the national tariff in China, the imports of Germans may pay the Customs duties according to the tariff rate in general use.

- (5.) *The Liquidation of Sino-German Indebtedness.*—The Chinese Government has no intention to join the Clearing House system, as provided for in Article 296 of the Versailles Treaty.

Furthermore, the Chinese Government, in consideration of the fact that Germany undertakes, as stated above, to pay a lump sum as a portion of the indemnity for war losses to the Chinese Government, agrees to effectually cease, at the signature of the Agreement, all the liquidation of German properties, and, on receipt of the aforesaid indemnity and after the ratification of the Agreement, agrees to return to German owners all the proceeds from the liquidation of German property and all the German property still under sequestration.

The aforesaid procedure shall be considered as a settlement of all the matters concerning the liquidation, sequestration, or control of German property, as stated in the second sentence of Article 133 of the Versailles Treaty.

As to the Deutsch-Asiatische Bank and the Ching-Hsin Mining Corporation, the Chinese authorities concerned will discuss methods of settlement with the Bank and the Corporation themselves; the unliquidated premises of the said Bank in Peking and Hankow will, however, be returned to the original owner, in accordance with the procedure stated above.

W. W. YEN.

CIRCULAR No. 3200 (SECOND SERIES).

**Re-export cargo from Shanghai to treaty ports, Dairen, and Kiaochow:
substitution of duplicate Re-export Applications for Cargo Certificates;
provisional procedure notified in Circular No. 3001 confirmed.
Abolition of Chinese Exemption Certificates: instructions.**

INSPECTORATE GENERAL OF CUSTOMS,
PEKING, 27th August 1921.

SIR,

1.—I circulate, for your information and guidance, copy of Shui-wu Ch'u despatch No. 1261, from which you will see that,

some time ago, in connexion with a request for an extension of validity of passes for certain native goods re-exported abroad from Shanghai, and as a set-off against the increase in work should the request be complied with, the then Shanghai Commissioner, Mr. Lyall, suggested that the Chinese Exemption Certificates should be abolished and replaced by duplicates of Re-export Applications. The Board has since referred the question to the Superintendents of Customs. As the Superintendents have all replied that there are no objections to the proposed change, the Board now rules that, in future, no Exemption Certificate need be issued by the Shanghai Customs and that duplicates of Re-export Applications bearing one of the following stamps are to be sent instead:—

此單准作江海關洋貨免重征執照 for foreign re-exports.

此單准作江海關土貨免重征執照 for native re-exports.

2.—Shanghai duplicate Re-export Applications are accordingly, after having been finally dealt with, to be transmitted by Commissioners at ports of destination to Superintendents in lieu of Exemption Certificates.

3.—The procedure notified in Circular No. 3001,* namely, the substitution of duplicate Re-export Applications for Cargo Certificates to cover re-export cargo from Shanghai to treaty ports, Dairen, and Kiaochow, which the Shanghai office was authorised to adopt provisionally, is now confirmed, but in addition to the inscriptions which the Shui-wu Ch'u has directed to be stamped on the Applications in order to make them serve their purpose as Exemption Certificates, the Shanghai office will in future enter on them the amount of duty paid, which will afford information required by some offices when assessing river dues, etc., and which may be found useful in other respects.

4.—As the procedure has proved a success at Shanghai, I am requesting the sanction of the Shui-wu Ch'u for its extension to all ports.

I am, etc.,

F. A. AGLEN,
Inspector General.

* *Antea*, vol. iii, p. 524.

ENCLOSURE.

稅務處令第一二六一號 中華民國十年八月十九日

案查上海出口各業公會請將出口派司仍照兩年限期通融辦理一事上年八月間據前代理總稅務司包羅辰字第二三一號呈復稱如將土貨復出口派司限期改爲兩年則檢查單據較現在手續加繁若不添設關員或另籌辦法恐於報放等事稽延時刻擬停發免重徵執照俾關員騰出時間辦理派司事項並請於洋土貨復出口報單第二分內加蓋（此單准作江海關土貨免重徵執照）字樣戳記由關封送指運口岸海關轉送監督備案以爲替代執照之用等因本處當以事關更章不厭求詳此項執照向係用江海關監督名義印發究竟停發後有無不便之處應由該監督妥爲核議並就近查明土貨之由上海復運他通商口岸者向以運往某某口岸爲最多即將前項單照替代辦法是否無礙轉行駐在各該口岸之海關監督徵詢意見一併呈復等因令行江海關監督遵照辦理茲據江海關監督呈復稱奉令遵卽詢據本關稅務司勞達爾復稱復進口洋貨由本口運往各通商口岸者向以天津爲最多次爲漢口又次爲牛莊

芝罘九江鎮江蕪湖福州等處等語當經分咨各關去後嗣准江漢閩海蕪湖山海東海鎮江等關監督先後咨復均謂轉詢本關稅務司查明並無關礙九江關監督並以咨行本關稅務司核復實屬便利極表贊同所有津海關監督來文亦云函准本關稅務司復稱取消免重徵執照實與海關稅項無損各等因查單照替代辦法本係騰出填發免照之時間爲詳查根據地步免致手續遲延係於恤商之中寓慎重之意今江漢等關監督查復既均無異議而本署亦無不便之處理合呈復鑒核示遵等情前來本處查此案既據江海關監督呈復前情是該項單照替代辦法在江海關既無不便之處而貨物轉口各海關亦均一致贊同自可准如所擬辦理嗣後由江海關轉他通商口岸之洋土各貨應無庸再由江海關發給免重徵專照卽就商人所送第二分報單內加蓋此單准作江海關洋貨或土貨免重徵執照等字樣之戳記以爲證據仍須由與有關係各海關隨時加意查管以防流弊除土貨出口派司應暫准改爲兩年限期由本處另文行知遵照外相應令行總稅務司查照轉令江漢津海閩海蕪湖山海東海江海鎮江九江等關稅務司遵照辦理可也此令

SEMI-OFFICIAL CIRCULAR No. 35.

Opium and narcotics, illegal trade in: I.G.'s views regarding, and proposed alteration in method of issuing rewards, etc.; opinions called for.

INSPECTORATE GENERAL OF CUSTOMS,
PEKING, *17th August 1921.*

SIR,

The illegal trade in opium and narcotics generally, which has attained enormous proportions in the last two years owing to causes too well known to require enumeration, has created difficulties for the Service which have passed beyond the stage of mere embarrassment and are becoming a positive danger. On the one hand, we have military authorities doing their best to encourage the growth of native opium for revenue purposes and actively engaged in promoting its sale and distribution; on the other hand, there are highly organised and heavily capitalised gangs of foreigners and Chinese trading more or less openly in smuggled foreign and native opium and in morphia and other narcotics. Along, with perhaps one or two exceptions, among Government organs the Maritime and Native Customs sets its face against this illegal trade and endeavours to check it. We seize and burn tons of opium and hundredweights of morphia, and the result is not even appreciable. This would not matter so much were it not for the fact that, in our endeavours to hold our gates against the ever-increasing flood, we are exposing the Service to danger of a very real kind. The whole basis of the employment of foreigners is being undermined.

Our junior Out-door officers are being exposed to temptations to which it is not right that they should be exposed, and our name for integrity, on which alone we depend for continued employment, is being besmirched.

The situation has caused me much anxiety, and I confess that I can see no real remedy in existing conditions. I have advocated re-legalisation of the trade and the collection of a large revenue to be devoted entirely to bringing it under control and final extinction, but this is a retrograde step which the Government can hardly be expected to propose or the foreign Powers to approve—not without precedent as it is. I have threatened to wash my hands of opium altogether and to make seizure or any interference with the drug on the part of employees a punishable offence. It may yet come to this, unwelcome as such a confession of failure would be. Meanwhile there is another aspect of the question on which I wish to invite your

counsel. The present system of the distribution of rewards works unevenly and is almost as demoralising as the opium trade itself. At ports which are centres for opium distribution, or are situated on opium trade routes, huge seizures are not infrequently made, which result in sums of two or three thousand dollars or more being issued to junior Tidewaiters, for effecting at no risk and little trouble a haul the whereabouts of which has been indicated by information previously received. During the year 1920 the large sum of *Hk.Tls.* 325,404.31 was issued by the Government, through me, as seizure rewards to informants and Customs officers. For the first quarter of 1921 I have issued *Hk.Tls.* 86,149.58. What have we to show for this expenditure of Government funds? A few officers have been enriched by windfalls out of all proportion to their pay and position, but the Out-door Staff as a whole has not been benefited. On the contrary, the disproportion is so glaring that it must have caused discontent among the juniors, and many senior employees whose work does not bring them in contact with opium, although in revenue protection it is far more valuable to the Service, feel discouraged and, not without reason, consider the system unfair. On the top of all this we are making no headway, and our Staff is being demoralised. Commissioners, feeling keenly the disabilities under which they labour, have suggested to me more than once the propriety of employing a detective staff to watch our men who are suspected of acting in collusion with opium smugglers. But I will not do this: if I cannot engage and retain foreigners who are proof against temptation of this kind, I prefer to do without them and to rely solely on Chinese.

In the meanwhile it seems to me that, short of giving up the struggle altogether, an attempt must be made to put matters on a fairer footing, and the plan that I have in view, on which I should like to have opinions by S/O letter in reply to this Circular, is this. I propose to alter somewhat the scale of rewards, reducing perhaps the amounts issued to informers and increasing the amounts issuable to seizing officers; to place all the latter in one account, port by port, and to issue the amount monthly *pro rata* in the form of a bonus to all members of the Out-door Staff, including Tidesurveyors, at the port concerned. The amounts issuable to individual officers actually making seizures and to members of seizing parties would be larger in proportion than the share of the port seizure rewards enjoyed by those not actively concerned.

I feel that it is desirable in Service interests to give all members of the Out-door Staff where opium seizures are made an interest in the proceeds and that such a system would be fairer to the Staff as

a whole than that which is now in force. It is not difficult, of course, to foresee objections to this proposal. There would be no windfalls in future for individuals, and there would be danger of too much attention being concentrated on opium-hunting. But the evils attendant on the present system are so evident that I believe my proposal is worth a trial, and I may say that it has the approval of the Ministers of the Shui-wu Ch'u.

You are requested to consider what I have written carefully and to let me have the benefit of your advice at your earliest convenience.

I am, etc.,

F. A. AGLEN,
Inspector General.

CIRCULAR No. 3203 (SECOND SERIES).

**Reorganisation in Harbin District: change in status of Aigun office
and opening station at Kwanchengtze sanctioned by Cabinet
Council; instructions.**

INSPECTORATE GENERAL OF CUSTOMS,
PEKING, 6th September 1921.

SIR,

I circulate, for your information and guidance, copy of Shui-wu Ch'u despatch No. 1327, from which you will see that the Aigun sub-office* of the Harbin Customs is to be made an independent Custom House. I have to notify that the Aigun office will accordingly be called the Aigun Customs (愛 琿 關)—code address, "Custos, Helampo,"—and function as such on and after the 1st October 1921.

The question of opening a Customs station at Kwanchengtze under the control of the Harbin Commissioner, sanctioned in principle in the appended Shui-wu Ch'u despatch, will be dealt with in a later Circular.

I am, etc.,

CECIL A. V. BOWRA,
For Inspector General.

* *Antea*, vol. ii, p. 683, and I.G. Cir. No. 4503, *postea*, vol. iv.

ENCLOSURE.

稅務處令第一三二七號 中華民國十年八月二十九日

前據總稅務司張字第一六八號來呈請將愛琿分關改爲獨立之海關並擬於長春開一分關歸濱江關管轄節制詳陳各種理由呈請核示遵行等因當經本處以總稅務司原呈所請各節洵屬當務之急且呈內聲敘各種理由甚爲詳晰似可准如所請辦理惟事關更張於財政外交均有關係應先由國務院提出國務會議議決施行如議決准予照辦所有愛琿關應設之監督一缺可否即以現駐愛琿縣之黑河道道尹兼充呈請

大總統以明令簡任之處並應由院部酌奪於本年七月七日咨呈國務院並分咨外交財政兩部各在案茲准財政部咨稱前准來咨業經本部咨呈國務院查核議辦在案茲於八月十七日承准國務院函開准貴部咨呈准稅務處咨請劃立愛琿海關添設長春分關并擬以黑河道尹兼充愛琿關監督一案經提交國務會議議決照辦函部查照辦理等因本部查此案既經閣議公決所有關於劃立海關添設分關等事自應由貴處令行總稅務司迅即妥議呈核施行應咨請查照辦理等因前來本處復查此案既經財政部咨轉前因應即照辦所有關乎愛琿改立正關並在長春另設濱江分關各事宜應即由總稅務司妥爲議擬呈復本處以憑核奪相應令行總稅務司查照辦理可也此令

CIRCULAR No. 3216 (SECOND SERIES).

Chinese staff: misconduct by member of; offer of colleagues to
make good losses, correspondence in connexion
with, circulated.

INSPECTORATE GENERAL OF CUSTOMS,
PEKING, 7th October 1921.

SIR,

I append, for your information, copy of correspondence between certain members of the Chinese In-door Staff and myself relative to the refund to the Service of losses incurred by the defalcation of a Chinese Assistant at Shanghai.

I am, etc.,

F. A. AGLEN,
Inspector General.

ENCLOSURE.

*The Representatives of a number of Chinese Assistants and Clerks
to the Inspector General.*

PEKING, 24th August 1921.

SIR,

We, the undersigned, representatives for a number of Assistants and Clerks in the Service, deeply regret the incident of the case of defalcation committed by Hsü Ho Chang, Assistant in the Shanghai Customs, thereby causing a loss of some \$20,000 to the Service. His criminal action has indeed brought absolute disgrace to the whole Service, particularly to the English-speaking Chinese In-door

classes, who have been serving efficiently, faithfully, and honestly ever since the Service was established. To obliterate this disgrace, however, which has so much enshrouded us, we have now devised a scheme, which we hope will be feasible, to raise a substantial sum for the two purposes we have in view, viz., the arrest of the delinquent in order to prevent a repetition of the crime, and the reimbursement of the amount lost by the Service. This scheme, as will be seen from the enclosed circular Chinese letter, called upon every member of our class to subscribe a sum—\$100 from an Assistant and \$50 from a Clerk—to be taken out of their contributions already held by you on their behalf. The time limit for this subscription having expired, we now beg to submit to you, enclosed herewith, a list of the subscribers with their subscribing notes showing a total of \$9,050 raised, which amount we are empowered to request you to kindly take out from the contributions of each subscriber according to the respective sums against their names (taking \$150 to equal *Hk.Tls.* 100) and to place \$1,000 in the hands of the Shanghai Commissioner to be used by him as reward for the arrest related above, while the balance of \$8,050 is to be devoted entirely to the reimbursement of the amount embezzled, though in part only, owing to the insufficient number of our fellow-men responding to the scheme.

In addition to the above reward subscribed by members of the Service, we are requested to send you, enclosed herewith, a cheque for \$119, which the present students of the Customs College as a body have subscribed as an additional reward for the capture of the criminal, who, they consider, had seriously injured the reputation of their College.

We beg also to point out that among the subscribers in the appended list there are two non-contributors to the Service contributions, namely, Mr. Lo Yuan Hsün, Assistant in Kiungchow, and Mr. Liang Chun Yen, Assistant in Swatow, who have intimated that their subscription shall be paid from their salary, and we propose that a deduction of 6 per cent of their monthly pay be made until their subscriptions are fully paid up.

We are fully aware of the fact that Service regulations do not countenance the raising of funds on contributions, which you have so beneficially instituted solely for the welfare of Service members, but considering our circular letters for the subscriptions had been issued prior to the advent of Circular No. 3159, and that the effecting of the arrest as well as the reimbursement (though only in part) of

the heavy loss to the Service are imperative needs, we beg you will kindly accept our proposal, which, we sincerely hope, will serve as a prevention of a repetition of similar crime in future.

We have, etc.,

* CHAN LÜN, *Chief Assistant, A.*

† CHUNG MUN KWONG, *2nd Assistant, B.*

‡ WONG HAIU SING, *2nd Assistant, B.*

§ HŪ KAM-SHUI, *3rd Assistant, A.*

|| TU PING HO, *4th Assistant, A.*

¶ TSAO LIN, *4th Assistant, A.*

** Y. L. WANG, *4th Assistant, B.*

†† K. T. TING, *4th Assistant, B.*

‡‡ YING HSIN TSI, *4th Assistant, B.*

§§ CHANG PAO FU, *Chienhsi.*

* *Antea*, vol. ii, p. 677.

† Chung Mun Kwong, a native of Canton, was born on the 3rd May 1869, and joined the Customs Service at Shanghai on the 1st June 1888. He served, as Clerk in various ranks, at Shanghai, Ichang, Swatow, Foochow, and Tientsin, before being finally detached on the 1st October 1911 for duty in the Shui-wu Ch'u, where he remained till his retirement on the 31st August 1925. He had been promoted 3rd Assistant, B, on the 1st October 1912 and had risen to be 1st Assistant, A, at the time of his retirement. From the 1st September 1913 to 14th July 1916 he was detached for special duty in connexion with the Lung-Ch'in Yü-Hai Railway. He was decorated with the 7th, the 6th, and the 5th Classes of the Order of the Chia Ho.

‡ Wong Haiu Sing, a native of Fukien, was born on the 9th December 1883, and joined the Customs Service on the 25th September 1902. He served at Foochow for six years, and on the 1st September 1908 was detached for service at the Shui-wu Ch'u, where he remained till the 30th June 1928, after which he served for two years at Chefoo Native Customs. From the 12th May to 31st December 1930 he was at the Inspectorate at Shanghai in charge of the Department of Chinese Studies under the direction of the Chinese Secretary, Mr. Ting Kwei Tang. He was subsequently in charge of Soochow till the 15th October 1932, and ended his career as Acting Commissioner at Santuao, from which port he retired on the 1st March 1934. Mr. Wong had been promoted to Assistantship rank on the 1st June 1911 and became Deputy Commissioner on the 1st October 1931. While on duty at Peking with the Shui-wu Ch'u he acted also for several years as Dean of the Customs College. Mr. Wong holds the Order of the Chia Ho, 5th, 4th, and 2nd Classes; the Order of the Wên Hu, 5th and 4th Classes; and the Gilt Medal, 2nd Class, conferred by the Nung-shang Pu.

§ Hū Kam-shui, a native of Canton, was born on the 18th December 1878, and joined the Customs Service on the 3rd February 1899. He served at Canton for the better part of three years, and at Foochow from the 1st October 1901 to 30th June 1914, when he was detached for duty at the Shui-wu Ch'u, where he remained till its dissolution on the 30th June 1928. He subsequently served at Lappa (twice), Samshui, and Canton, from which last-named port he retired voluntarily on the 30th April 1933. Mr. Hū gained rank as an Assistant on the 1st October 1912, and was promoted Deputy Commissioner on the 1st April 1932. He has been decorated with the Order of the Chia Ho, 4th Class, 3rd Class, and 2nd Class with Sash.

|| Tu Ping Ho, a native of Peking, was born on the 23rd November 1890, and joined the Customs Service on the 1st April 1913. After graduating from the Customs College Mr. Tu served first at Harbin for five and a half years, then at Tientsin for six months, before being transferred to the Inspectorate at Peking, where he remained from the 1st April 1919 to the 30th April 1927. He served subsequently at Shanghai for over seven years, and at Tientsin for nearly three. Mr. Tu was promoted Deputy Commissioner on the 1st October 1934, and was transferred in October 1937 to Ichang, where he was temporarily in charge. Mr. Tu has a highly specialised knowledge of Service accounts.

¶ Tsao Lin, a native of Peking, was born on the 23rd March 1889, entered the Customs College in 1909, and graduated in 1913. He was appointed first to Tientsin where he remained for a little over four years, after which he was transferred to the Inspectorate at Peking, where he remained for nine and a half years. He served again at Tientsin for six and a half years, and at Tsingtao for a year and a half. He was invalided on the 5th January 1935.

** Wang Yu Lin, a native of Shantung, was born on the 23rd July 1892, entered the Customs College in 1912, and graduated in 1916, after which he served at Tientsin for five months. He was transferred on the 1st December 1916 to the Inspectorate at Peking, where he remained till the 18th October 1923. He subsequently served for six and a half years at Chefoo, and was invalided from that port on the 31st August 1929, having reached the rank of 2nd Assistant, B.

†† Ting Kwei Tang, a native of Haichêng, in Fêngtien, was born on the 18th December 1891, entered the Customs College in 1912, and graduated in 1916. He served first at Antung for three years before being transferred to the Inspectorate at Peking, where he remained from the 1st July 1919 to 30th April 1927, when he was transferred to Shanghai to take over the work of Commissioner's Chinese Secretary. On the transfer of the Inspectorate to Shanghai Mr. Ting became Acting Assistant Chinese Secretary (Additional), and on the 1st April 1929 was promoted Deputy Commissioner, and appointed Acting Chinese Secretary. A year later he was made full Commissioner with the post of Chinese Secretary. During the Inspector General's short leave Mr. Ting acted as Chief Secretary from the 1st April 1934 to 4th February 1935, after which he was detached to proceed abroad on special duty. After studying Customs systems in many foreign States, Mr. Ting returned to China and resumed duty on the 10th September 1935 as Chinese Secretary at the Inspectorate, which post he still (May 1938) holds. In August 1930 Mr. Ting was entrusted with a secret mission to Marshal Chang Hsüeh-liang in connexion with Simpson's seizure of the Tientsin Customs. In January 1937 he was appointed by the Ministry of Finance as one of their two representatives to the Commission for the Control of Aids to Navigation in time of War. Mr. Ting was also a member of the Inspectorate Emergency Committee to deal with all confidential matters of national importance during the crisis of July and August 1938, pending the return from Europe of the Inspector General, Sir Frederick Maze, who accompanied Dr. Kung, Minister of Finance, to attend the Coronation of King George VI.

†† Ying Hsin Tsi, a native of Ningpo, was born on the 24th April 1893, entered the Customs College in 1913, and graduated in 1917. After graduation he served for a year and a half at Ningpo, and in April 1919 was transferred to the Inspectorate at Peking where he served till the 31st October 1921, when he was re-transferred to Ningpo, at which port he remained till the 31st March 1930. He was then appointed to the Shanghai Office, where he served till the 29th February 1932, with an interval of two and a half months—1st February to 15th April 1931—at the Shanghai Inspectorate. On the 1st March 1932 Mr. Ying was transferred to Nanking, where on two occasions he acted as Assistant-in-Charge. From the 15th October 1934 to 15th October 1937 he was once more on duty at the Shanghai Office, where he served as Commissioner's Chinese Secretary. On the latter date he was moved to the Inspectorate and appointed Acting Assistant Chinese Secretary (Additional) with the rank of Acting Deputy Commissioner.

§§ Chang Pao Fu, a native of Tangshan, in Chihli (now Hopei) province, was born on the 15th January 1899, entered the Customs College in 1916, and graduated in 1920. Mr. Chang was appointed to the Inspectorate at Peking, where he served till the 31st January 1928, during which time he worked in the Consolidated Debt Office from the 1st March 1925 to 30th September 1927. In February 1928 Mr. Chang was transferred to Harbin, where he remained for over a year and a half. Since then Mr. Chang has served at Kiukiang for 19 months, Shanghai for almost two and a half years, Amoy for 22 months, and at Tientsin since July 1935, from which port he was invalided on the 17th November that year. Mr. Chang holds the 8th Class of the Order of the Chia Ho.

*The Inspector General to the Representatives of a number of
Chinese Assistants and Clerks.*

No. 980. Staff.
Special. No. 6080.

PEKING, 5th October 1921.

GENTLEMEN,

I beg to acknowledge receipt of your letter dated 24th August 1921:

Pointing out that you, as representatives of a number of Chinese Assistants and Clerks in the Service, deeply regret the fraudulent proceedings of Hsü Ho Chang, Assistant in the Shanghai Customs, by which the Service has been involved in heavy loss; that you consider that Hsü's criminal action has brought disgrace upon the whole Service, especially upon the English-speaking Chinese In-door classes; that you therefore suggest a scheme with a view to obliterating the disgrace, by which every Chinese Assistant should subscribe \$100 and every Clerk \$50 to form a fund to effect the arrest of the delinquent and reimburse the Service for the sum of money lost, the subscriptions to be recovered from the contributions to the superannuation and retirement fund of the Assistants and Clerks concerned; and forwarding a list of the subscribers to this scheme, with a cheque for \$119 which the present students of the Customs College as a body have subscribed as an additional reward for the capture of the criminal, who, they consider, has seriously injured the reputation of their College:

and, in reply, to convey to you my thanks for this letter and my high appreciation of the spirit with which it is inspired.

That so many Chinese Assistants and Clerks in the Service should take the wrongdoing of one of their colleagues so seriously to heart; that they should so deeply regret the disgrace which his conduct has brought upon the Service; and that they should make this well-organised effort to make good his defalcations,—all this shows a spirit which gives me the deepest gratification. A sense of pride in yourselves and in your work, your realisation of the responsibilities of an honourable position, and your determination to keep up the reputation of the Service before the public—all these are manifestations which more than compensate for the regrettable irregularities of one of your number.

As regards the scheme itself, however, I regret that it is impossible for me to accept the principle upon which the money is proposed to be raised. Contributions to the superannuation and retirement fund are made for a specially defined purpose and for that purpose alone. They must be regarded as inviolable according to the rules laid down by Circular. They are, except in certain defined cases, repayable to the contributors in full, and no deductions can be charged against them. I regret also to be unable to accept the sum of \$119 subscribed by the College students. While recognising the admirable spirit which has prompted this subscription, I am obliged to realise that this money has been subscribed by students who are not yet members of the Service and who, therefore, cannot be considered to be in any way responsible for the action of one of its members.

While I regret, therefore, to be unable to accept this scheme and the Service must bear the loss which has been incurred, I must again express my appreciation of the spirit in which it is offered, and I hope that this case, regrettable as it is from many points of view, will not be without good effects in the future. If every Chinese Clerk and every Chinese Assistant in every port realises his responsibility for the actions of his colleagues, and is determined that no one of these shall be allowed by any dishonest action to do anything which will cast a slur upon the honour and dignity of the Customs Service, we shall be in a very strong position to prevent any such action taking place in future cases. A word of warning to any employé suspected of malpractices by his colleagues, or, if such should be ineffectual, a hint given to the Commissioner in good time, will do much towards preventing any future malfeasances. Among a large staff, high as is the average character and *moral* of our Service, there are bound to be from time to time some black sheep. The elimination of these is to the interest of all members of the Service and of the public generally, and I am gratified to know from the action which the Chinese staff has taken in this case that I may rely upon its support in getting rid of such people.

The enclosures to the letter under reply are returned herewith.

I am, etc.,

F. A. AGLEN,

Inspector General.

CIRCULAR No. 3251 (SECOND SERIES).

Superannuation and retirement scheme: I.G.'s inability to recognise claim of certain retired Commissioners to participate in funds repaid to the Service by the Chinese Post Office and devoted to purposes of; correspondence *re*, circulating.

INSPECTORATE GENERAL OF CUSTOMS,
PEKING, *7th January 1922.*

SIR,

I append, for your information, copy of correspondence between myself and certain retired Commissioners of Customs relative to a claim raised by the latter to participate in the funds repaid to the Service by the Chinese Post Office and devoted to the purposes of the superannuation and retirement scheme.

From my reply to these gentlemen you will see that I regret my inability to recognise their claim. Apart from the fact that the superannuation and retirement scheme could only have come into existence upon the principle that it was not retrospective, and that any attempt to make it so would entirely wreck it, I am forced to take my stand upon another principle—that no member or ex-member of the Service can lay any claim to participate personally, beyond the salary and allowances due to him, in any funds allocated to the Service for Service purposes by the Chinese Government.

I am, etc.,

F. A. AGLEN,
Inspector General.

ENCLOSURE.

Certain Retired Commissioners of Customs to the Inspector General.

The undersigned, formerly senior members of the Chinese Maritime Customs and still deeply interested in its well-being, have learned with much satisfaction that the establishment of a pension system for the benefit of members of that Service—a step frequently urged, but to no purpose, upon the late Inspector General, Sir Robert Hart—has under your administration been brought to a successful issue. They have also been informed that this could not have been done but for the repayment to the Maritime Customs of the sums it had advanced to the Postal Department during its initiatory stages when receipts fell short of expenditure. Sir Robert Hart was urged on more than one occasion to request repayment of those sums; but he invariably declined to take such a step on the ground that the allowance issued by the Chinese Government was intended to cover the cost of maintaining both Services. The fact, however, that repayment has been made shows that the late Inspector General misinterpreted the views of the Chinese Government in this connexion, and is of itself a recognition by that Government that the funds concerned were Customs funds.

The advances thus made to the Postal Department amounted in the aggregate to a very large sum; and the undersigned venture respectfully to represent to you that that sum belonged in equity to all the then members of the Customs Service, but in a special degree to the senior members. For it was on those members that the most responsible duties in connexion with the Postal Service fell, duties which during the early years of building up that Service, when opposition had to be met and to be overcome on the part not only of the interested *min-chü* but also of the territorial officials, were of a very onerous nature—so onerous, indeed, that in many instances they doubled the work of the officer who occupied the dual position of head of the Customs establishment and head of the Postal Department, but for which he received no extra remuneration, because, as was stated at the time, there were no funds available from which such remuneration could be granted.

Had application, however, been made periodically for a refund of the advances made to the Postal Service from Customs moneys, there would have been funds available for that purpose; and now that those advances have been repaid in a lump sum, the undersigned

venture respectfully to urge that they should not be excluded from all participation deriving from that repayment, simply because, as a result in many cases of circumstances beyond their control, they have meanwhile severed their connexion with the Customs Service. They hold strongly that their claim upon those funds is superior to the claim of juniors who have entered the Service during the last few years. They have, however, no desire to press that claim in a manner which would jeopardise the success of the pension scheme just introduced.

While giving due weight to this important point, the undersigned, after careful consideration, have reached the conclusion that in suggesting that, a sum equal to two years' full pay at the rate drawn at date of leaving the Service be issued to each member of the foreign In-door and Out-door Staff who has resigned since the 31st March 1910, they will not be laying an undue burden on the sum advanced to and repaid by the Postal Service; and they venture to hope that this suggestion will commend itself to your approval.

* H. E. HOBSON.

† A. E. HIPPISELY.

‡ H. M. HILLIER.

§ J. A. VAN AALST.

|| P. M. G. DE GALEMBERT.

¶ E. L. LÉPISSE.

** J. L. RÉMUSAT.

†† FRANK SMITH.

‡‡ J. C. JOHNSTON.

§§ JAMES ACHESON.

* *Antea*, vol. i, p. 592.

† *Antea*, vol. i, p. 456.

‡ Harry Mason Hillier was born on the 17th February 1851 at Hongkong and joined the Customs Service at Shanghai on the 17th August 1872 as a 4th Assistant. He served at Shanghai, Hankow, and Newchwang before being transferred on the 1st March 1880 to the Inspectorate at Peking, where he acted as Assistant Audit Secretary till the 30th June 1882, when he was transferred to the London Office, remaining there till the 31st July 1884. He subsequently served at Hankow, Tientsin, and Shanghai, where he was promoted Deputy Commissioner on the 1st June 1887. On return from his second long leave he was again appointed to Shanghai, and afterwards to Pakhoi and Kowloon as Acting Commissioner. He remained at the latter port for four years, and was promoted Commissioner while there on the 23rd April 1896. From April 1901 to April 1903 he officiated as Chief Secretary at the provisional Inspectorate at Shanghai, and was subsequently Commissioner at Nanking, Kiukiang, and Chinkiang. From September 1908 to February 1909 he was Chief Secretary at Peking, after which he was Commissioner

at Tientsin till the 31st March 1911. He resigned from the Service on the 30th September 1913. Hillier, like his two brothers, the late Sir Walter Cane Hillier, sometime Chinese Secretary to the British Legation, and E. G. Hillier, Peking agent of the Hongkong and Shanghai Banking Corporation, was recognised as a man of outstanding ability. He held Civil Rank of the 4th and the 3rd Classes, and the Decoration of the Imperial Order of the Double Dragon, 1st Class of the 3rd Division.

§ *Antea*, vol. ii, p. 174.

|| *Antea*, vol. ii, p. 488.

¶ Emile Laurent Lépissier was born on the 23rd February 1850 at Paris and joined the Customs Service on the 1st June 1869 as a 4th Assistant, B. He served at Shanghai (four times), Hankow (twice), Chinkiang, Ningpo, and Canton, before being promoted Deputy Commissioner on the 17th March 1899 and appointed Assistant Statistical Secretary. He subsequently served at Foochow for five years from the 1st October 1901 to 31st October 1906, and again for two and a half years in the Statistical Department. He resigned on the 30th September 1912 from Canton, while occupying the post of Out-door Deputy Commissioner, and was given brevet rank of Commissioner. Lépissier held Civil Rank of the 4th Class.

** Jules Léopold Rémusat was born on the 16th October 1852 at London and entered the Customs Service on the 1st July 1877 as an Assistant on probation. He was promoted Deputy Commissioner on the 1st April 1911, having in the meantime served at Shanghai (four times), Amoy, Canton (four times), Tamsui, Chefoo, Soochow, Chinkiang, and Swatow. He was subsequently Deputy Commissioner in Charge at Lungchow, and was promoted Commissioner on the 1st November 1913 while on long leave. He was in charge of Shasi from the 1st January 1915 to 2nd November 1917, when he resigned. Rémusat held Civil Rank of the 4th Class, the Order of the Double Dragon, 2nd Class of the 3rd Division, and the Order of the Chia Ho, 3rd Class.

†† Frank James Smith was born on the 6th November 1857 at Bromley, Kent, and entered the Customs Service on the 1st June 1876 as an Assistant on probation. He was promoted Deputy Commissioner on the 1st May 1898, having served as Assistant in various ranks at Shanghai (twice), Ningpo (twice), Tientsin, Kiukiang, Chefoo, and Hankow. He remained at the last-named port from the 1st November 1892 to 31st March 1899. He officiated for six months as Assistant Statistical Secretary, and was then transferred to Amoy, where he was Deputy Commissioner for two and a half years. From the 1st October 1903 to 31st March 1907 he was Acting Commissioner at Swatow, and later at Wenchow, at which latter port he was promoted Commissioner on the 1st May 1908. He served subsequently at Soochow, Santuao, Kongmoon, and Lappa, and resigned from this last-named port on the 15th April 1917. Smith held Civil Rank of the 3rd Class; the Order of the Double Dragon, 2nd Class of the 3rd Division, and 1st Class of the 3rd Division; and the Order of the Chia Ho, 3rd Class.

‡‡ John Clark Johnston was born on the 3rd January 1854 in Perthshire, Scotland, and entered the Customs Service on the 1st July 1877 as a 4th Assistant, B. He served at Shanghai, Kiungchow, Pakhoi (twice), Swatow, Canton, Hankow, Kowloon, Chefoo, Seoul, and Jenchuan before receiving his Deputy Commissionership on the 1st April 1898 at Shanghai. He was promoted Commissioner on the 1st November 1909 and appointed to Ichang, having in the meantime served at Shanghai, Canton (for the second time), Pakhoi (for the third time), and Wuhu. His subsequent Service career was spent at Ningpo and, finally, for the fourth time, at Pakhoi, from which port he resigned on the 15th April 1916. Johnston held Civil Rank of the 4th and the 3rd Classes, the Order of the Double Dragon, 1st Class of the 3rd Division, and the Order of the Chia Ho, 3rd Class.

§§ James Acheson was born on the 25th November 1852 at Tandragee, Ireland, and entered the Customs Service on the 1st July 1874 as a 4th Assistant, B. He attained his Deputy Commissionership on the 1st April 1900 while on long leave, having in the meantime served at Newchwang, Tientsin, Canton (three times), the Statistical Department at Shanghai, Ningpo, Wenchow (twice), and the General Office at Shanghai. He was subsequently Acting Commissioner at Kiungchow for five years, then at Pakhoi, at which port he was promoted Commissioner on the 1st April 1911. He resigned from Wenchow on the 8th November 1916. Acheson held Civil Rank of the 4th and the 3rd Classes, the Order of the Double Dragon, 1st Class of the 3rd Division, and the Order of the Chia Ho, 3rd Class.

The Inspector General to certain Retired Commissioners of Customs.

No. 5496.

General.

PEKING, 6th January 1922.

GENTLEMEN,

I have duly received your joint letter dated 4th November 1921, in which you represent, in connexion with the establishment of a Customs pension and the repayment to the Inspector General of certain advances made from Customs funds to meet expenditure incurred by the Imperial Chinese Post Office, at a time when the latter institution formed an integral part of the Maritime Customs Administration, that the sums repaid belonged in equity to all the then members of the Customs Service, but in a special degree to the senior members; that you hold strongly that your claim upon these funds is superior to the claim of juniors who have entered the Service during the last few years; and that while you have no desire to press this claim in a manner which would jeopardise the success of the pension scheme, you have reached the conclusion that, in suggesting that a sum equal to two years' full pay at the rate drawn at date of leaving the Service be issued to each member of the foreign In-door and Out-door Staff who has resigned since 31st March 1910, you will not be laying an undue burden on the sum advanced to and repaid by the Postal Service.

In reply I have to state that while it has been and always will be a matter of great regret to me that the condition of Service finances did not permit the introduction of the pension scheme earlier than January 1920, and so made it impossible for you and other distinguished ex-members of the Service, foreign and Chinese, to participate in its benefits, the suggestion you now make does not commend itself to my approval.

In the first place, the pension scheme is not retrospective in its application, and no exception can be made to this rule. In the second place, even were I able to accept your assumption that individual claims to Service funds can be established, which I cannot do, I am unable to discover any principle on which participation in the sums accruing from refund of the Postal advances could, with justice, be made without the complete wrecking of the pension scheme.

The pension scheme was made possible by a general improvement in the Service finances, as the result, in part, of reorganisation and, in part, of an increased grant, and not alone by the refund of

the Postal advances, which, by the way, is made by instalments spread over a considerable number of years and not, as you suppose, in a lump sum. Your contention that sums expended by the late Inspector General on the Postal Department belonged in equity to all the then members of the Customs Service, but in a special degree to the senior members, is one that I am unable to regard as admissible. The funds allowed by the Chinese Government to the Inspector General for the administration of the Service do not, and never did, belong to all the members of the Service, except and only as may be determined by the Inspector General, on whom alone rests the responsibility of deciding not only what duties shall be performed by, but also what salary and other emoluments shall be payable to, each and every member of the Service.

Furthermore, it is a recognised condition of employment in the Maritime Customs that all Service obligations towards an employé cease when connexion with the Service is severed, and this principle has been maintained in the operation of the pension scheme.

Opinion may differ as to the wisdom of the policy pursued by the late Inspector General in creating and nursing a new Department of the Maritime Customs on an inadequate grant; but there can be no question that the result of this policy was the inevitable postponement of a general betterment of conditions of employment by which all members of the Service, foreign and Chinese, were affected. In my handling of the Service finances I have endeavoured to follow the principle that Service funds belong to the Service in the sense that it is not justifiable to undertake fresh responsibilities involving large expenditure of Service funds without first making arrangements to meet such increased expenditure. I hold that it is not right that improvements in the conditions of employment called for by the continual raising of the standard of living in China should be made impossible or indefinitely postponed owing to the dissipation of Service funds on new undertakings, however desirable and even necessary they may be. But I find it quite impossible to apply this principle retrospectively; and much as I deplore the fact that those who left the Service before the improvement in its financial position, which I have been able to effect, have not been able to enjoy the full benefit of such improvement, I cannot put the clock back or assume the obligation of any individual claims.

I have, etc.,

F. A. AGLEN,
Inspector General.

CIRCULAR No. 3252 (SECOND SERIES).

Manchuria: northern land frontier: special duty reduction and duty-free privileges abolished from 1st April 1922.

INSPECTORATE GENERAL OF CUSTOMS,
PEKING, 12th January 1922.

SIR,

With reference to Circular No. 1461:*

Goods imported into Manchuria by land from Russian territory are only to pay, inside railway limits, two-thirds import duty:

as well as to other Circulars dealing with the same question, I have now to circulate, for your information and guidance, copy of Shui-wu Ch'u despatch No. 40, from which you will see that this duty reduction privilege is abolished from the 1st April 1922, both for foreign goods imported from Russia and for Chinese goods exported to Russia.

The special duty-free privileges secured to Russia in the Land Frontier Agreement of 1881 and other agreements are likewise abolished from the same date.

From the 1st April goods imported by land from Russia are to be treated in exactly the same way as foreign goods imported by sea into a treaty port.

You are requested to notify the public accordingly.

For the present no change is to be made in the duty treatment of goods imported by land from Korea into Antung, Hunchun, and Lungchingtsun.

I am, etc.,

F. A. AGLEN,
Inspector General.

ENCLOSURE.

稅務處令第四〇號 中華民國十一年一月十日

民國十一年一月八日奉

大總統令中俄所訂條約暨陸路通商章程已屆第四次十年期滿現在中俄邊界商務日見發達今昔情形不同依照原約應即重行修改並歷屆由中政府提議在案現在俄國正式政府尙未成立無從提議政府爲利便兩國商務起見現經決定在中俄未改訂新約以前所有關於中俄條約及通商章程內規定之三分減一稅法暨免稅區域免稅物品各種辦法自本年四月一日起應即無庸繼續履行嗣後俄商由俄國運來貨物及在中國運出洋土各貨應完進出口稅項均照現行海關進出口稅則完納以昭公允此令等因奉此除分行外相應令行總稅務司查照迅令津海濱江愛琿等關稅務司遵照辦理可也此令

CIRCULAR No. 3256 (SECOND SERIES).

**Quarantine Regulations and establishment of isolation hospital:
correspondence in connexion with.**

INSPECTORATE GENERAL OF CUSTOMS,
PEKING, 23rd January 1922.

SIR,

I circulate, for your information and guidance, copy of a despatch addressed to the Antung Commissioner concerning Quarantine Regulations* and the establishment of an isolation hospital. You will see that I have taken the occasion to express some views which are of general, and not merely local, application.

I am, etc.,

F. A. AGLEN,
Inspector General.

ENCLOSURE.

The Inspector General to the Antung Commissioner.

No. 1813. Commrs.
Antung. No. 87,600.

PEKING, 18th January 1922.

SIR,

In reply to your despatch No. 2116:

Quarantine Regulations and isolation hospital: need for revision and provision of, at Antung; preliminary action taken by Commissioner and proposals of Dr. Wu Lien Teh, reporting; instructions requested:

I am directed by the Inspector General to instruct you as follows.

1.—Although the Yalu is a frontier river, there does not seem much need for co-operation between the Chinese and Korean

* For an account of the connexion of the Customs with port quarantine matters, *vide* I.G. Cir. No. 4304, *postea*, vol. iv.

sanitary authorities, except with regard to the exchange of information and patrolling the river. Vessels arriving at Antung presumably anchor on the Chinese side of the river and should be dealt with by the Chinese authorities, whilst vessels arriving at a Korean port should be dealt with by the Korean authorities.

If the Japanese Consul considers that quarantine ought to be imposed at Antung against vessels arriving from a certain port and this proposal is not agreed to, there would be no objection to your informing the Korean sanitary authorities when a vessel enters Antung from that port, in order that they may take such special measures as they think fit to prevent the landing of passengers or goods in Korean territory; provided that when a vessel arrives at a Korean port on the Yalu River from a port which you consider to be infected, but against which quarantine has not been imposed by the Korean authorities, they similarly provide you with like information.

2.—If a Consul desires that a Chinese port shall be declared to be infected, it is for you to find out whether this is necessary or not, and then to advise the Superintendent to take measures to get quarantine imposed on vessels arriving from that port or else to refuse to do so. If you have information that a foreign port is infected, you should desire the Superintendent to address the Consular Body and get quarantine imposed against vessels arriving from that port.

3.—The provision of a general hospital is not a question that concerns the Customs, and you should therefore have nothing to do with this question officially.

4.—If an isolation hospital is necessary, it should be built on a modest scale and be put under the control of the Port Health Officer. The provision of funds to pay the salary of a non-resident superintending physician does not appear to be necessary.

5.—If in some minor details your Sanitary Regulations are no longer in accordance with the facts of the situation, you should take steps to get the necessary changes approved by the Consular Body.

For your guidance in general, the Inspector General wishes you to note that it will be best not to allow yourself to be drawn too far in the wake of the Newchwang precedent. There were reasons which made prompt action desirable at that port, and the co-operation of Dr. Wu Lien Teh was one of the factors in that situation; but beyond following the principle established in the case of Newchwang, that funds for carrying out the provisions of the

Port Sanitary Regulations must be provided, the Inspector General does not want you to adopt the Newchwang scheme as a matter of course. The weak link in the scheme of port sanitary protection in China has hitherto been finance. Fundamentally a matter for the territorial authorities and not a Customs responsibility, the exigencies of extraterritoriality, the ignorance of the Chinese authorities in matters of technical detail, the fact that in many ports the territorial authority on whom it devolved to take the lead was also Customs Superintendent, have combined to place the direction of port sanitary arrangements in Customs hands. In such matters as drawing up regulations and seeing that they are acceptable to foreign interests, we have done our best, and we have been instrumental in devising makeshift arrangements for dealing with emergencies when they arise. But the fact remains that, with the exception, perhaps, of Shanghai, Tientsin, and Newchwang, there is no adequate equipment at any of the ports for the proper carrying out of Port Sanitary Regulations. It seems useless to expect that in present circumstances territorial authorities can be brought to observe such a due appreciation of their responsibilities that they will provide the necessary funds from provincial sources, and the Central Government has no funds other than Customs revenue that can be devoted to this purpose. The maintenance, therefore, of the Sanitary Regulations at the ports tends more and more to devolve upon the Customs. The Inspector General regards the provision of the necessary funds as a proper charge on the revenue, and is prepared to support any application, provided that the outlay and maintenance expenses are reasonable. But such application should be made through the Superintendent of the port, should be supported by estimates, and no endeavour should be made to extend its scope beyond what is strictly required to give effect to the Port Sanitary Regulations.

I am, etc.,

C. A. V. BOWRA,

Chief Secretary.

CIRCULAR No. 3257 (SECOND SERIES).

Hydrography: letter from Mr. F. Palmer, C.I.E., to Coast Inspector,
eulogising work of the Marine Department in connexion
with Yangtze River.

INSPECTORATE GENERAL OF CUSTOMS,

PEKING, 23rd January 1922.

SIR,

I append, for information, copy of a letter addressed to the Coast Inspector by Mr. F. Palmer, C.I.E.,* the member of the Shanghai Harbour Investigation Committee who was specially asked by the Chinese Government to report on the Lower Yangtze Conservancy question.

I feel sure that all members of the Service will be interested to read this gratifying testimony from a distinguished authority as to the excellence of the surveying and mapping work done by the Coast Inspector and the departments concerned.

I am, etc.,

F. A. AGLEN,

Inspector General.

* Frederick Palmer, C.I.E., afterwards (1930) Sir Frederick Palmer, K.C.M.G.—a partner in the firm of Rendel, Palmer, and Tritton, Consulting Engineers—formerly Chief Engineer for the Calcutta Port Commissioners (1901–09), Chief Engineer for the Port of London Authority (1909–13), and Past President of the Institution of Civil Engineers, was invited in the autumn of 1921 by the Whangpoo Conservancy Board to come to Shanghai as the British representative on an International Commission of consulting engineers to consider what measures should be taken for the development of Shanghai harbour. This Commission consisted of General W. M. Black of the U.S. Army, Dr. I. Hiroi, Adviser to the Japanese Government on Japanese Ports, Monsieur L. Perrier, formerly Chief Engineer of the Suez Canal, Mr. P. J. Ott de Vries, representing the Netherlands, Mr. P. G. Hornell, nominated by the Chinese General Chamber of Commerce, and Mr. (afterwards Sir) F. Palmer. The Commission submitted its report at the end of 1921 for the consideration of the Government, and two years later the Diplomatic Body passed a special recommendation in favour of action being taken. The text of the Commission's report will be found in the Whangpoo Conservancy Board General Series No. 8, "The Port of Shanghai" (5th Edition), Shanghai, 1928, pp. 78–90.

ENCLOSURE.

Mr. F. Palmer, C.I.E., to the Coast Inspector.

SHANGHAI, 21st December 1921.

DEAR CAPTAIN ELDRIDGE,

I want to thank you very much for so readily affording me the information I required in regard to the Yangtze River and, more particularly, for the statement you kindly sent me of the shallows between Hankow and the sea which govern the draught of vessels.

I also want to take this opportunity to express my congratulations on the splendid work which you and your Department have carried out in the survey of this great river. The charts which I have seen are really excellent specimens of mapping, and I doubt whether any better exist in the world, even including those world-famed charts of the British Admiralty.

Again very many thanks.

Yours sincerely,

F. PALMER.

CIRCULAR No. 3266 (SECOND SERIES).

Customs College: appointment of Mr. W. MacDonald, Commissioner,
as Vice-President and Dean, notifying.

INSPECTORATE GENERAL OF CUSTOMS,
PEKING, 11th February 1922.

SIR,

With reference to Circulars Nos. 1501,* 2045, and 2942:

Notifying the appointments of certain gentlemen as Foreign
Directors in the Customs College:

I append, for your information, copy of Shui-wu Ch'u despatch No. 159, from which you will see that the services of Mr. W. MacDonald,† Commissioner of Customs, have been asked for as Vice-President and Dean of the Customs College.

In view of the important interests involved I have consented to detach Mr. MacDonald for this duty. The post of Foreign Director of the Customs College has been left unfilled since the last incumbent, Mr. J. W. Richardson,‡ left on long leave last autumn,

* *Antea*, vol. ii, p. 615.

† William MacDonald was born on the 7th March 1867 at Dingwall, Scotland. After graduating from the Royal School of Mines, London, where he was a pupil of Huxley, he joined the Customs Service on the 16th October 1892 as a 4th Assistant, A, Acting Professor of English at the Peking T'ung Wên Kwan. He remained at Peking in that capacity till the 30th November 1898, and during these six years acquired a very sound knowledge of Chinese. He next served at Ningpo, Hangchow, and Hankow, before being re-transferred to Peking on the 1st December 1904, where, on the 1st February 1906, he was promoted Deputy Commissioner and appointed Assistant Postal Secretary. On return from long leave on the 1st April 1910 he served at Shanghai in charge of the Postal Supply Department for 18 months, and subsequently in the Statistical Department till the 15th April 1915. He was promoted Commissioner on the 1st November 1919, having in the meantime served at Hankow, and at Samshui in charge. He was Commissioner at Hangchow and Antung before being once more, on the 1st February 1922, moved to Peking to take up the post of Vice-President and Dean of the Customs College. He remained in this position till the 15th October 1923, when he was succeeded by Mr. W. H. C. Weippert. On return from long leave in the autumn of 1924 he was appointed Commissioner at Kiaochow, from which post he was invalidated on the 21st June 1926. MacDonald held Civil Rank of the 3rd Class, the Order of the Double Dragon, 2nd Class of the 3rd Division, and the Order of the Chia Ho, 4th, 3rd, and 2nd Classes.

‡ John Walter Richardson was born on the 6th April 1867 at Swatow, China. After leaving Oxford he joined the Customs Service on the 1st September 1888 at Tientsin as a 4th Assistant, B. He was promoted Deputy Commissioner on the 1st April 1912, having in the interim served at Tientsin, Amoy, Canton, Peking (three times), Kiukiang, Amoy, and Swatow. From the 1st December 1900 to 30th September 1904 he held the post of Chief Accountant at the Inspectorate, first at Shanghai and later at Peking. During his third term of office at Peking—1st September 1910 to 15th April 1915—he acted as Private Secretary to the Inspector General, and later as Staff Secretary. He was promoted Commissioner on the 1st November 1913. On return from long leave he served as Commissioner at Antung for three years and was again transferred to Peking, where he was Chief Secretary for 20 months, and Non-Departmental Secretary for nine months. From October 1922 to October 1924 he was Commissioner at Kiaochow, and was invalidated on the 31st January 1925. Richardson holds Civil Rank of the 4th Class, the Order of the Chia Ho, 3rd and 2nd Classes, and the China Expedition Medal of 1900, with clasp "Defence of Legations."

and the arrangement now made is a modification of that obtaining since 1912, under which successive Chief Secretaries have held the office in addition to their Inspectorate duties. Mr. MacDonald's appointment is in effect a return to the original arrangement notified in Circular No. 1501, with such modifications as are required by the present constitution of the College. Mr. MacDonald will give the whole of his time to the work, and it is hoped that his knowledge and experience will be of value to the College authorities in their important work of training men to be Chinese Assistants and Clerks in the Customs Service.

I am, etc.,

F. A. AGLLEN,
Inspector General.

ENCLOSURE.

稅務處令第一五九號 中華民國十一年一月二十八日

本處附設之稅務專門學校事務繁重校長一人頗難兼顧自應擇人佐理茲查有海關稅務司馬都納學

識優良擬借調聘爲該校副校長襄助陳校長管理校務兼充總教習一席至該員之薪金津貼等項暨海

關之資格能否留存之處在該學校之新預算暨整理經費等事未經決定以前可由總稅務司酌核辦理

相應備具聘書令行總稅務司查照轉交該員卽赴該校視事可也此令 附件

CIRCULAR No. 3272 (SECOND SERIES).

Pilotage: report on practicability of having Chinese trained as apprentice pilots by Pilots' Associations, etc., called for.

INSPECTORATE GENERAL OF CUSTOMS,
PEKING, 18th February 1922.

SIR,

1.—A commission for the study and protection of China's rights in national waters has been recently formed by the Ministry of the Navy under the name of the Hai Chieh Wei Yüan Hui (海界委員會), and a certain Mr. Ni Wên-tê (倪文德), one of the members of this commission, has taken pilotage as his special subject for investigation. From the appended copy of Shui-wu Ch'u despatch No. 184 you will see that Mr. Ni Wên-tê is much concerned to find that, whereas in 1869 Sir Robert Hart reported to the Tsungli Yamên that, of 203 pilots engaged at the various ports, 103 were Chinese, now not a single Chinese pilot is employed in Shanghai pilotage waters under the General Pilotage Regulations; and he infers from this the same lack of Chinese pilots at other ports. Mr. Ni holds that this is contrary to the spirit of Article II of the General Regulations and will be for China a danger in time of war, and he therefore wishes to see Chinese trained as pilots by the Pilots' Associations and, if candidates are not forthcoming locally, to have them specially selected for training by the Ministry of the Navy from the navigating officers of the fleet.

In pursuance of this policy he has moved the Ministry of the Navy to request that Harbour Masters be instructed to require the Pilots' Associations at their ports to undertake the training of a number of Chinese apprentices—the larger ports to train four or five and the smaller ports two or three men.

The Ministry of the Navy has already given instructions that preparations are to be made to select officers to be sent to the ports for training and has requested the Shui-wu Ch'u to discuss with the Inspector General the question of issuing orders to the Harbour Masters to act in the manner suggested by Mr. Ni. The Shui-wu Ch'u now wishes Harbour Masters to report whether it is possible to carry out Mr. Ni's suggestion, namely, that the Pilots' Associations should be required to train a number of Chinese apprentice pilots.

2.—It appears to me that Mr. Ni Wên-tê has not made sufficient allowance for the great changes that have taken place since 1869. When the vessels visiting Chinese ports were mostly sailing craft,

it was no doubt possible to find many Chinese, accustomed from boyhood to handling Chinese junks, who were capable of meeting the requirements of the Pilot Boards of that time. At the present day the piloting of steamships, many of them of very large tonnage, requires an experience in the handling of such vessels that few Chinese candidates are likely to possess, and the conditions imposed by insurance companies are also, in many cases, no doubt a limiting factor. There is nothing in the General Pilotage Regulations to prevent the appointment of Chinese, either as licensed pilots or apprentice pilots, so long as they are qualified; on the other hand, the Regulations do not give Harbour Masters the sole power of appointment, nor do they confer on Harbour Masters such authority over Pilots' Associations as would be necessary for effect to be given to Mr. Ni's suggestion. The answer, therefore, to the Shui-wu Ch'u's inquiry must be that it is not possible to carry out this suggestion with the Pilotage Regulations as they at present stand.

3.—In order, however, that I may be in a position to report fully on the subject I have to request Commissioners at those ports where Pilotage Regulations are in force to consult their Harbour Masters and to supply me as promptly as possible with information on the following points:—

- (1.) Is there a Pilot Association at your port?
- (2.) Does the Association admit to its membership Chinese as apprentices? If so, on what terms?
- (3.) Is the number of apprentice pilots allowed by your By-laws or Local Rules limited or unlimited? If limited, what is the limit?
- (4.) Are there any Chinese licensed pilots at your port? If so, state number.
- (5.) Are there any Chinese apprentice pilots at your port? If so, state number and the terms on which they are employed.
- (6.) Are applications ever received from Chinese for examination to fill vacancies on list of licensed pilots?
- (7.) Are applications ever received from Chinese for appointment as apprentice pilots? If so, how are such applications dealt with?

4.—Assuming that Chinese candidates for pilot and apprentice pilot appointments are not forthcoming locally, I wish to know whether it would be possible, by arrangement with Pilots' Associations

where such exist, to give officers selected by the Admiralty the necessary training; or, if such arrangement is not possible, whether your Harbour Master has any suggestion to offer for meeting the wishes of the Admiralty.

Nil replies to this Circular are to be sent from those ports where Pilotage Regulations are not in force.*

I am, etc.,

F. A. AGLEN,
Inspector General.

* The replies to this Circular revealed that there were no licensed Chinese pilots functioning in the harbours, of Shanghai, Tientsin, Newchwang, Antung, Dairen, Kiaochow, Amoy, and Swatow, but that at Ningpo, Wenchow, Foochow, and Canton all the pilots were Chinese, while on the Yangtze there were strong Chinese pilotage associations, or rather groups of pilots, at Hankow and Ichang functioning on the middle and upper reaches of the Yangtze respectively. On the Min River between Foochow and Santuao, and on the West River between Canton and Wuchow, there were independent Chinese pilots. For subsequent pilotage developments, *vide postea*, vol. vii.

ENCLOSURE.

稅務處令第一八四號 中華民國十一年二月八日

案查海軍部咨商各口引水暫行章程其中不無錯誤一案現又准海軍部第三六號咨開案據海界委員會倪文德等呈稱竊查引水暫行章程第二款內載引水者宜寬其招募也凡華民及有條約各國之民有欲充引水者均准其一體充當惟遇有缺出卽應由考選局按照規定之章程並本口之分章揀選充補細釋該條之語義是引水營業之權利約明無分國籍得以均沾同治七年九月初十日赫前總稅務司申呈總理衙門文內稱同治六年五月三十日起至七年五月十一日止各口充引水者計二百零三名內有華人一百零三名英人四十名美國人三十五名德國人十名丹國人六名瑞國人六名荷蘭人二名奧國人一名等語上海爲航務繁盛之口今查上海引水就上海吳淞二處與東沙燈船及大戢山二處往復航線之中無一華人充當引水滬口如此他口可知此不但與章程第二款之主義相反違且中國若在戰時各口無一華人引水可以僱用而外國人引水爲敵船嚮導亦無法律可以制裁中法之役有案可證除由會

呈請鈞部咨交通部各派專員修訂引水章程外惟事關各國利益修訂及交涉料需時目前補救方法惟有先由各口海關理船廳責成引水公會即行教練華人引水若干名大口約四五人小口約二三人如各口未有請充引水學徒之人即由海軍挑選航海官員前往備選查一八七八年牛莊口外國人引水犯事經該口理船廳開革一案赫前總稅務司在訓示中聲言引水章程第一款之限定各口引水人數一層極爲反對即係此意况係教練引水學徒人數增減章程並無限定當可照辦擬請鈞部照咨稅務處請其切商總稅務司飭下各口理船廳遵照辦理一面飭知海軍總司令公署預備挑選海軍航海官員備其教練以符章程而昭公允等情據此除飭知海軍總司令遵照外相應據情咨請查照即希切商總稅務司轉飭各口理船廳遵辦並見復爲荷等因到處查此案海界委員會所擬目前補救方法先由各口理船廳責成引水公會即行教練華人引水若干名各節能否照辦相應令行總稅務司轉飭各口理船廳核議具復呈核以憑轉咨此令

CIRCULAR No. 3274 (SECOND SERIES).

Tariff Revision, 1922: appointment of Chinese Delegation to
International Commission notified.INSPECTORATE GENERAL OF CUSTOMS,
PEKING, 22nd February 1922.

SIR,

An International Commission for Revision of the Import Tariff, to raise it to an effective 5 per cent *ad valorem* rate, will shortly sit in Shanghai. The Chinese Delegation to this Commission will be composed of the following gentlemen:—

Admiral Ts'ai T'ing Kan (蔡廷幹), Delegate;

Messrs. Chou Ch'uan Ching (周傳經), L. A. Lyall,*
Shih Pi (施弼), and Chou Tien (周典), Vice-Delegates.

Copy of Shui-wu Ch'u despatch, quoting the Presidential Mandate of 11th February which notifies these appointments, is enclosed for your information and for record.

I am, etc.,

F. A. AGLEN,
Inspector General.

ENCLOSURE.

稅務處令第二一五號	中華民國十一年二月十四日	大總統令派蔡廷幹爲修改通	商進口稅則委員會主任周傳	經賴發洛施弼周典爲副主任	此令等因奉此除分行外相應	令行總稅務司遵卽轉令稅務	司賴發洛遵照可也此令
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* *Antea*, vol. iii, p. 526.

CIRCULAR No. 3286 (SECOND SERIES).

Washington Conference: Proceedings of Committee on Pacific and Far Eastern Questions dealing with Chinese Tariff.

INSPECTORATE GENERAL OF CUSTOMS,
PEKING, 13th March 1922.

SIR,

I append, for your information and for record, a copy of the Proceedings, dealing with the Chinese Tariff, of the eighteenth meeting of the Committee on Pacific and Far Eastern Questions held during the course of the Washington Conference on 16th January 1922.

I am, etc.,

F. A. AGLEN,
Inspector General.

ENCLOSURE.

CONFERENCE ON THE LIMITATION
OF ARMAMENT.

16th January 1922.

The eighteenth meeting of the Committee on Pacific and Far Eastern Questions was held this afternoon, 16th January 1922, at 3.30 o'clock in the Pan-American Building.

The Chairman (Mr. Hughes) said that before proceeding with the further order of business they would entertain a report of the Drafting Committee in relation to the matter of Customs in China. Mr. Root then presented resolutions, which, after discussion and amendment, were adopted, as follows:—

AGREEMENT ON THE REVISION OF THE
CHINESE TARIFF.

With a view to providing additional revenue to meet the needs of the Chinese Government, the Powers represented at this

Conference, namely, the United States of America, Belgium, the British Empire, China, France, Italy, Japan, The Netherlands, and Portugal, agree:

That the Customs schedule of duties on imports into China adopted by the Tariff Revision Commission at Shanghai on 19th December 1918 shall forthwith be revised, so that the rates of duty shall be equivalent to 5 per cent effective, as provided for in the several commercial treaties to which China is a party.

A Revision Commission shall meet at Shanghai, at the earliest practicable date, to effect this revision forthwith and on the general lines of the last revision.

This Commission shall be composed of representatives of the Powers above named and of representatives of any additional Powers having Governments at present recognised by the Powers represented at this Conference and who have treaties with China providing for a tariff on imports and exports not to exceed 5 per cent *ad valorem* and who desire to participate therein.

The revision shall proceed as rapidly as possible with a view to its completion within four months from the date of the adoption of this resolution by the Conference on the Limitation of Armament and Pacific and Far Eastern Questions.

The revised tariff shall become effective as soon as possible, but not earlier than two months after its publication by the Revision Commission.

The Government of the United States, as convener of the present Conference, is requested forthwith to communicate the terms of this resolution to the Governments of Powers not represented at this Conference, but who participated in the Revision of 1918 aforesaid.

AGREEMENT REGARDING REVISION OF CHINESE CUSTOMS DUTIES.

With a view to increasing the revenues of the Chinese Government, the United States of America, Belgium, the British Empire, China, France, Italy, Japan, The Netherlands, and Portugal agree:

I.

That immediate steps be taken through a Special Conference, to be composed of representatives of the Contracting Powers, and other Powers which adhere to this Convention, to prepare the way for the

speedy abolition of likin and for the fulfilment of the other conditions laid down in Article VIII of the Treaty of 5th September 1902 between Great Britain and China, in Articles IV and V of the Treaty of 8th October 1903 between the United States and China, and in Article I of the Supplementary Treaty of 8th October 1903 between Japan and China, with a view to levying the surtaxes provided for in those articles.

The Special Conference shall meet in China within three months after the date of the ratification of this Convention on a day and at a place to be designated by the Chinese Government.

II.

The Special Conference shall consider the interim provisions to be applied prior to the abolition of likin and the fulfilment of the other conditions laid down in the articles of the treaties above mentioned; and it shall authorise the levying of a surtax on dutiable imports as from such date, for such purposes, and subject to such conditions as it may determine.

The surtax shall be at a uniform rate of $2\frac{1}{2}$ per cent *ad valorem* except in the case of certain articles of luxury which, in the opinion of the Special Conference, can bear a greater increase without unduly impeding trade, and upon which the total surtax shall not exceed 5 per cent.

III.

That following the immediate revision of the Customs schedule of duties on imports into China as provided for in a resolution adopted by the representatives of all Powers signatory to this Convention at a Plenary Session of the Conference on the Limitation of Armament held in the city of Washington on the day of January Nineteen Twenty-two, there shall be a further revision to take effect at the expiration of four years following the completion of the aforesaid revision, in order to ensure that the Customs duties shall correspond to the *ad valorem* rates *fixed* by the Special Conference herein provided for.

That following this revision there shall be periodical revisions of the Customs schedule of duties on imports into China every seven years for the same purpose, in lieu of the decennial revision authorised by existing treaties with China.

That, in order to prevent delay, such periodical revisions shall be effected in accordance with rules to be settled by the Special Conference mentioned in Article I herein.

IV.

That in all matters relating to Customs duties there shall be effective equality of treatment and of opportunity for all Powers parties to this Convention.

V.

That the principle of uniformity in the rates of Customs duties levied at all the land and maritime frontiers of China is hereby recognised; that the Special Conference above provided for shall make arrangements to give practical effect to this principle; and it is authorised to make equitable adjustments in those cases in which the Customs privilege to be abolished was granted in return for some local economic advantage.

In the meantime any increase in the rates of Customs duties resulting from tariff revision or any surtax hereafter imposed, in pursuance of the present Convention, shall be levied at a uniform rate *ad valorem* at all land and maritime frontiers of China.

VI.

That the charge for transit passes shall be at the rate of $2\frac{1}{2}$ per cent *ad valorem* until the arrangements contemplated in Article I herein come into force.

VII.

That the Powers not signatory to this Convention having Governments at present recognised by the Powers represented at this Conference, but whose present treaties with China provide for a tariff on imports and exports not to exceed 5 per cent *ad valorem*, shall be invited to adhere to the present Convention, and upon such adherence by all of them this Convention shall override all provisions of treaties between China and the respective Contracting Powers which are inconsistent with its terms.

That the United States Government, as convener of the present Conference, undertakes to make the necessary communications for this purpose and to inform the Governments of the Contracting Powers of the replies received.

VIII.

Ratification clause of usual form.

SEPARATE RESOLUTION.

That the Government of the United States, as convener of the present Conference, be requested to communicate forthwith the

terms of the Agreement arrived at with regard to the Chinese Tariff to the Governments of the Powers concerned as stated in this Agreement, with a view to obtaining their adherence to the Agreement as soon as possible.

There then followed a discussion of the next question on the Agenda, namely, the open door in China, which was not completed when the Committee adjourned to meet 17th January 1922 at 3.30 p.m.

CIRCULAR No. 3289 (SECOND SERIES).

Bribes: "fees" in money or kind tendered by Chinese brokers, etc.: acceptance of, by examining staff to entail summary dismissal; I.G.'s warning and instructions.

INSPECTORATE GENERAL OF CUSTOMS,
PEKING, 21st March 1922.

SIR,

1.—Some cases which have occurred recently point to the prevalence of a very pernicious system on the part of Chinese brokers of "feeing" Examiners in charge of wharves or sheds for the prompt despatch of cargo. It would seem that Examiners make a distinction in their minds between "fees" tendered in small sums in the above circumstances and "bribes" offered by brokers or merchants for a particular consideration. In the one case they seem to be under the impression that the "fee" is not a "bribe" and may be accepted without loss of self-respect, whereas the majority, I hope, would refuse to exact, or accept, a larger payment as the price for a grave dereliction of their duty to the Service.

2.—The distinction is, of course, utterly fallacious: there can be no degrees in matters of personal integrity. The public is entitled to a fair field and no favour, and the Examiner who accepts presents in money or kind under the impression that these are merely tokens of goodwill on the part of donors is placing himself in a very false position. The Chinese who deal with the Custom House are not in the habit of giving something for nothing: there is, from their point of view, a consideration to be received to balance the account, and that consideration can only be given at the expense of someone else. The Examiner may think that, if he is strict in his examination and prompt to expose attempts to defraud the revenue, there is no harm in adding to his pay the aggregate of

these "fees," but a little reflection should show him either that he is sooner or later certain to be exposed unless he gives something in return or that, if he does give consideration, he is just as personally dishonest as the man who accepts a bribe for passing cargo that purports to be other than it is. The revenue may not necessarily suffer in the first case as it does in the second case, but the Service suffers, and the employment of foreigners in it is imperilled.

3.—A senior Examiner has recently been convicted of accepting "fees" in small sums, aggregating over a period of months a considerable amount. He is not what his colleagues would describe as a dishonest man. He has the reputation of being strict in his methods of examination, and, on his own testimony, he has refused to accept bribes for condoning offences which resulted in fine or confiscation. He is due to be superannuated under the age clause in three months' time. The testimony against him was spontaneous and overwhelming.

4.—Since I assumed charge of the Service I have invariably dismissed employees convicted on reasonable evidence of accepting money from the public. The case in question deserves the penalty of dismissal, but as it is the first case in which the acceptance of these money "fees" has come before me, I have decided to treat it exceptionally, for the following reasons. I desire to warn the examining staff against the danger of accepting such presents, and I do not wish to deprive of all benefits a man on the eve of superannuation, whose conduct is apparently more the result of a muddled sense of values in the matter of personal integrity than of actual dishonesty. The Examiner in question is accordingly being disgraced to the rank of Senior Tidewaiter and will complete his period of service in the status and on the pay of that rank.

5.—I have, however, to warn Examiners that this treatment will not again be accorded and that, if in future an employee is convicted of accepting money from the public for any reason, he will be summarily dismissed.

There is no room in the Service for fine distinctions in such matters. The employment of foreigners stands and falls on the question of personal integrity.

A copy of this Circular is to be read by every member of your foreign staff.

I am, etc.,

F. A. AGLEN,
Inspector General.

CIRCULAR No. 3294 (SECOND SERIES).

Post offices, foreign, in China: pending withdrawal of, on 1st January 1923, Customs are permitted to examine all postal matter, excepting letters, passing through, informing.

INSPECTORATE GENERAL OF CUSTOMS,
PEKING, 1st April 1922.

SIR,

I append, for your information and record, copy of Shui-wu Ch'u despatch No. 445, from which you will see that, pending the complete withdrawal of foreign post offices in China by 1st January 1923, which has been agreed upon at the Pacific Conference,* the four Powers concerned have undertaken to permit the Chinese Customs to examine in their post offices all postal matter, excepting letters which upon external examination appear plainly to contain only written matter, with a view to ascertaining whether they contain dutiable articles, or contraband, or articles contravening Chinese Customs regulations or laws.

You need not make any changes in your present office practice.

I am, etc.,

F. A. AGLEN,
Inspector General.

* The resolution to this effect was adopted by the Washington Conference on the Limitation of Armaments at the Fifth Plenary Session, 1st February 1922.

ENCLOSURE.

稅務處令第四四五號 中華民國十一年三月二十九日

案准外交部函開准駐美施公使電稱華會決議於明年正月一日客郵完全撤廢以前其有關係之四國均分別允允一切經由客立郵局之郵件除掛號或非掛號之普通信函由表面觀察即可明知其僅係書寫之件者外均應由中國海關官員就各該郵局檢查以決定其是否帶有應稅之件或違禁之品或是否背背中國海關之章程或法律設果有上項情事請訓令總稅務司或郵局總辦分別相機核辦等因除函交通部外應函達查照核辦並見復等因並附洋文原電前來相應檢同原電令行總稅務司查照轉令各關稅務司遵照辦理可也此令 附件

CIRCULAR No. 3320 (SECOND SERIES).

Upper Yangtze Navigation Regulations: certain additions to, notified.

INSPECTORATE GENERAL OF CUSTOMS,
PEKING, 4th July 1922.

SIR,

With reference to Circular No. 2842:*

Upper Yangtze Navigation Regulations: approved by
Chinese Government and foreign Ministers;
regulations notified:

I append, for your information and guidance, copy of correspondence (my despatch No. 197 and Ch'u despatch No. 879) which has passed between the Shui-wu Ch'u and myself in regard to certain additions which have been made to these Regulations and approved by the Chinese Government and the Diplomatic Body.

I am, etc.,

F. A. AGLEN,
Inspector General.

* *Antea*, vol. iii, p. 461.

ENCLOSURE No. 1.

總稅務司呈 稅務處來字第一九七號 中華民國十一年六月十九日

呈爲現於川江行船章程內續增限制輪船行駛速率及民船裝載貨物等辦法以重航行而防危險擬請鈞鑒正式核准施行事竊查川江行船免碰章程專爲行駛長江上游宜昌重慶間之輪船及民船互免危險而設溯查該章於一九一八年成立曾經中國政府與公使團雙方之同意但自彼時至今迭有民船損傷失事之案先後發現考其失事之故率因民船裝載過重致被輪船激起之波浪湧入船中被淹沉沒間有民船與輪船相遇已逾四十分鐘之久該民船尙被輪船激起之波浪淹沒者情形殊爲可憫設欲防杜此等可憫之情形其最善辦法係一面酌訂輪船速率之限制責令各輪船一體遵守一面責令民船於裝載貨物時必須使其船身露出水面者有充分之尺寸俾足防輪船波浪之淹沒現在各輪船公司均已應允願由各該管之領事官暨稅務司會同酌訂之速率限制惟以對於輪船雖有速率之限制而民船裝載貨物設若依然過重竊恐將來仍難免有意外之虞職是之故所以重慶關稅務司與該關監督暨領事團特將關於限制輪船之速率並勒令民船裝載後船身露出水面須有充分之尺寸各節會同商訂其所訂限制各語擬卽續行增入川江行船免碰章程第五十二等條之內此項續增限制辦法已經該管地方官與重慶領事團之贊同並由該領事團呈經駐京公使團認爲關係孔亟之舉允卽令行該領事團轉

令各外國輪船公司一體遵守竊以此次續增限制辦法本應由重慶關監督呈請政府核准方爲正辦但因恐該監督尙未呈報

鈞處酌核所以總稅務司特將此項原擬之續增語句照錄一分附請

鑒查正式照准以便施行除令重慶關稅務司暫將是項續增限制辦法通令各輪船遵辦以杜危險外理合備文呈請

鈞處核示施行謹呈

稅務處令第八七九號中華民國十一年六月二十四日

據總稅務司第一九七號呈稱現於川江行船章程內續增限制輪船行駛速率及民船裝載貨物等辦法呈請核示施行等情並將此項原擬之續增語句鈔送前來查川江行船免碰章程曾經本處於民國七年九月間分咨外交交通兩部暨湖北四川兩省長查照並令行江漢宜昌重慶等關監督遵照在案此次總稅務司呈稱現於川江行船章程內續增限制輪船行駛速率及民船裝載貨物等辦法自係爲慎防航行危險起見既經該管地方官與重慶領事團之贊同並由領事團呈經駐京公使團認爲關係孔亟之舉本處應即准予照辦除咨行外交交通兩部暨湖北四川兩省長查照並令行江漢宜昌重慶等關監督遵照外相應令行總稅務司查照可也此令

ENCLOSURE No. 2.

條各增續程章碰免船行江川

ADDITIONS TO UPPER YANGTZE NAVIGATION
REGULATIONS.

立	規	辦	二	露	民	實	駛	江	政	條	續
即	畫	法	尺	出	船	取	民	上	府		增
實	妥	一	此	水	船	締	船	游	爲	中	第
行	協	俟	項	面	邊	令	切	行	長	國	五

Additional to Rule 5.—It is understood that the Chinese Government will take effective measures to introduce a free-board of 2 feet on all junks plying on the Upper Yangtze as soon as conditions permit.

船	文	該	改	制	及	守	該	司	定	暨	經	率	駛	續
公	知	管	之	或	速	此	輪	宣	並	稅	該	之	日	增
司	照	領	處	有	率	項	必	布	由	務	管	限	期	第
經	該	事	應	所	之	日	須	之	稅	司	領	制	及	九
理	輪	行	由	更	限	期	遵	後	務	規	事	一	速	條

Additional to Rule 9.—Steamers shall conform to time and speed limits, to be decided in the case of each vessel by the Consul concerned and the Commissioner of Customs and published by the latter. Notice of such time and speed limits or of any alteration therein shall be given in writing by the Consul to the steamer's agent.

以	定	如	船	務	商	稅	經	船	條	續
違	方	有	即	司	定	務	領	航		增
章	略	違	應	宣	後	司	事	江	指	第
論	者	背	遵	布	由	隨	團	方	示	十
	即	商	照	輪	稅	時	暨	略	輪	二

Additional to Rule 12.—Steamers shall also conform to sailing directions, which will be agreed upon from time to time by the Consular Body and the Commissioner of Customs and published by the latter. Infringements of these directions will constitute an offence under these Regulations.

CIRCULAR No. 3339 (SECOND SERIES).

- (1) Yangtze River Conservancy Commission, Provisional Technical Committee of: (2) Hydrographic Department of Chinese Admiralty: formation of, and relations with Customs; I.G.'s account of, and remarks *in re*; all possible assistance to be afforded to; instructions.

INSPECTORATE GENERAL OF CUSTOMS,
PEKING, 30th September 1922.

SIR,

1.—Two important undertakings, in the promotion of which I have had some share, have recently been placed on a footing of permanence, and as the Service is intimately concerned in their successful development, I think it desirable to give you some account of them.

These undertakings are:—

- (1.) The Technical Committee of the Yangtze River (Conservancy) Commission.
- (2.) The Hydrographic Department of the Chinese Admiralty.

2.—As you are aware, the conservancy of China's waterways is outside our proper sphere and is not a responsibility which we have found it possible to shoulder. But the interests of trade are so inseparably bound up with facilities of communication that it has been the invariable policy of the Inspectorate to assist by all means possible any local project that meets with general support. In the conditions in which such undertakings are alone capable of being brought to fulfilment in China, it is not an overstatement to say that without the Customs as an active participant not one of them could have been successful. Many, indeed, owe their inception to the initiative of Commissioners of Customs, such as the Haiho Conservancy (the late Mr. G. Detring),* the Min River Conservancy

* *Antea*, vol. i, p. 402.

(Mr. T. T. H. Ferguson),* the Chihli River Improvement Commission (Mr. F. W. Maze);† while the services rendered by the late Coast Inspector (Mr. W. F. Tyler)‡ in connexion with the Whangpoo Conservancy form a most interesting record in the unpublished history of that very efficient administration. In all conservancy schemes the *ex-officio* functions of the Commissioner of Customs are the corner-stone of the administration, while in most of them his is the guiding hand in matters of finance and policy.

3.—Yangtze conservancy, however, is more than a local question. The length and navigability of this wonderful waterway, serving many provinces and numerous treaty ports, made it impossible for any scheme to be promoted by local Customs initiative, although in their trade reports Commissioners have again and again drawn attention to the subject. Nor until comparatively recently has Chinese public opinion been ripe for the initiation of any measures to improve the river.

During the last few years, however, there has been a change in this respect, and this change, coinciding with pressure on the part of various foreign interests, has provided the necessary impetus for the Central Government to act.

* Thomas Tapley Helenus Ferguson, eldest son of the late J. Helenus Ferguson, Dutch jurist and sometime Minister for the Netherlands at Peking, was born on the 18th January 1871 at Arnba in the Netherlands East Indies. After being educated as a civil engineer, he joined the Customs Service on the 9th October 1888 as a 4th Assistant, B, and was promoted Deputy Commissioner on the 1st April 1904, having in the meantime served at Peking (twice), Ningpo, Chefoo, Ichang, Hankow, Shanghai—where he was for a time attached to the provisional Inspectorate—and Soochow. He remained five years at Tientsin—1st April 1904 to 1st April 1909—for a year and a half Deputy Commissioner in the Maritime Customs, then for several months supervising, at the request of the Haiho Conservancy Board, dredging operations on the Taku Bar—for the deepening of which Ferguson had invented a special raking apparatus, which for a time proved successful. His last year and four months at Tientsin were spent as Deputy Commissioner in charge of the Native Customs. During April and May he was again detached for conservancy work, this time in connexion with experiments being conducted by the Whangpoo Conservancy Board. He was promoted Commissioner on the 1st April 1911 and transferred to Peking as Audit Secretary. He subsequently served as Commissioner at Amoy for two years, at Foochow for four and a half years, where he took the initiative in starting and organising conservancy work on the Min River, and at Antung for one year, from which latter port he retired on the 31st October 1923. Ferguson holds Civil Rank of the 4th Class; the Order of the Double Dragon, 1st Class of the 3rd Division; the Order of the Chia Ho, 3rd Class, 2nd Class, and 3rd Class with Brilliants; Cross of Officer in the Order of Orange-Nassau, Netherlands; Gilt Medal conferred by the Chinese Government; Provincial Medal granted by the Viceroy of Fukien; and Membership of the Royal Netherlands Institution of Engineers.

† *Antea*, vol. ii, p. 447.

‡ *Antea*, vol. iii, p. 343.

On my advice the Government invited an eminent British engineer, Mr. F. Palmer,* who was in China as a consultant in connexion with the Shanghai Harbour Development Scheme, to inspect the Yangtze from Hankow to Woosung and to report. Meanwhile a Yangtze Conservancy Commission was formed in Peking under the presidency and vice-presidency of the Minister of the Interior and the Minister of the Shui-wu Ch'u respectively, with delegates representing the different interests concerned, among them a considerable number of technical men. I was invited to become a member of the Commission, and I attended the preliminary sittings. At these sittings Mr. Palmer's report on his brief inspection of the Yangtze was submitted, and it was decided to constitute a smaller Technical Committee from among the members to give effect to suggestions made by him in the direction of procuring the data required for a more detailed survey of the river in 1923. Funds for the expenses of the Technical Committee have been procured, and it has started work with an executive office in Shanghai under Mr. G. G. Stroebe, Chief Engineer. The foreign members of the Committee are Mr. von Heidenstam, Engineer-in-Chief of the Whangpoo Conservancy Board, Mr. T. J. Eldridge,† Coast Inspector, and Mr. van der Veen, Conservancy Adviser to the Chinese Government, who is also a co-treasurer of the Committee's funds. To supplement this brief account, I append copy of my memorandum to the Diplomatic Body on the question of a grant from revenue for the expenses of the Technical Committee. Its work will naturally bring it into intimate relations with the River Inspectorate, which has already done much useful work on the Yangtze in acquiring a portion of the data that is required. It is my wish that these relations should be as cordial as possible, and I trust that at all times every possible facility and assistance will be afforded.

4.—The Hydrographic Department of the Admiralty has been created to meet a long-standing want. As you know, the British

* *Antea*, vol. iii, p. 649.

† Theodore Jackson Eldridge was born on the 15th July 1864 at Beyrout, Syria, where his father was British Consul. He was educated for the sea and served for nearly two years in the Royal Indian Marine before joining the Marine Department of the Customs Service on the 1st December 1888 as a Third Officer. He did duty on the Customs cruisers *Feihoo*, *Kaipan*, *Pingching*, and *Likin* before being given a shore billet at Shanghai as Acting Harbour Master and Acting Deputy Coast Inspector. He was promoted Deputy Coast Inspector on the 1st July 1903 and held that post till the 1st January 1919, when he was made Coast Inspector, which post he held till his retirement on the 14th July 1924. Eldridge holds Civil Rank of the 4th Class; the Order of the Double Dragon, 3rd Class of the 3rd Division; the Order of the Chia Ho, 5th, 4th, and 3rd Classes; the Order of the Wên Hu, 2nd Class; and the China Expedition Medal, 1900, Great Britain. Eldridge is also a Fellow of the Royal Geographical Society and an Associate of the Institute of Civil Engineers, Great Britain.

Admiralty has been the great chart-producing organ of the world. The charts used on the coast and rivers of China are British Admiralty charts, and for many years the British Government maintained surveying vessels in Chinese waters to supplement and keep these charts up to date. But for some time this work has been suspended, and, while considerable portions of the coast have never been thoroughly surveyed, in others mariners have to depend on charts which are becoming obsolete. In these circumstances I have for many years been endeavouring to induce the Chinese Admiralty to undertake hydrographical work, and with this end in view I have permitted the Marine Department to extend in some degree the surveying part of its activities, and, by the publication of Customs Charts, to give publicity to this useful work. Our surveys, however, are strictly limited in scope by our requirements in placing aids to navigation in harbours, rivers, and approaches to the treaty ports, and, as it did not seem to me feasible to undertake river and coastal surveys for which I had no funds and which were properly the duty of the Chinese Naval authorities, I was forced to wait until circumstances made it expedient to move in the matter. I have been ably seconded by our Cartographer, Mr. Deputy Coast Inspector S. V. Mills,* who, by employing much of his spare time in training Chinese Naval officers in the elements of surveying and promoting a good understanding with the local Naval authorities, has done much to make the creation of the Hydrographic Department an accomplished fact.

5.—The department as constituted is under the direction of Captain C. C. Hsü, of the Chinese Navy. A programme of work extending over some 10 to 15 years has been drawn up by Mr. Mills in consultation with Captain Hsü, during the execution of which the department will be trained. Ample funds have been secured for the execution of this programme, and arrangements have been made whereby, in his capacity as Hydrographer, Mr. Mills, in addition to continuing to hold his appointment as Deputy Coast Inspector and Cartographer in the Marine Department of the Customs, will be able to superintend the work. Chinese Admiralty Charts will be published by the Marine Department, and it is

* Stanley Vandeleur Mills was born on the 1st December 1882 at Lee in Kent, England. He joined the Marine Department of the Customs Service on the 22nd January 1904 as Third Officer on probation and served for a couple of years on the cruiser *Feihoo*, after which he was transferred to the Coast Inspector's Office, where he served successively as Assistant Surveyor, Surveyor, Cartographer, and Acting Deputy Coast Inspector, being finally promoted Deputy Coast Inspector on the 1st December 1921. He remained in this position till the 31st January 1930, when he was invalided from the Service, but remained with the Hydrographic Department of the Chinese Admiralty as Assistant Director. Mills holds the Order of the Chia Ho, 5th Class, and the Order of the Wên Hu, 3rd Class.

confidently expected that with their Customs imprimatur they will achieve the reputation that our Charts have earned and of which they have received acknowledgment in the highest technical quarters. Until the Hydrographic Department is able to function independently the closest co-operation with the Marine Department will prevail—the link between the two departments being Mr. Mills. I trust that all whose duties bring them in contact with the work of the Hydrographic Department, whether in the field or in the office, will afford all the assistance possible. For the present that work will be concentrated on a survey of the Yangtze in continuation of the survey already begun and carried to a certain point by the Marine Department, and it has been my aim that the operations of the Hydrographic Department and the Yangtze Technical Committee should dovetail in such a manner that all overlapping and unnecessary expenditure may be avoided.

6.—Appended you will find copy of Shui-wu Ch'u letter No. 1313, covering an illustration and description of the flag and pennant which will be flown by surveying vessels employed by, or placed at the disposal of, the Hydrographic Department by the Chinese Navy.

I am, etc.,

F. A. AGLEN,
Inspector General.

ENCLOSURE No. 1.

MEMORANDUM.

PROPOSED GRANT FROM REVENUE FOR EXPENSES OF THE PREPARATORY
TECHNICAL COMMITTEE APPOINTED BY THE YANGTZE
RIVER CONSERVANCY COMMISSION.

The question of Yangtze conservancy, with the twofold aim of improvement of navigation and prevention of floods, has in recent years assumed a growing importance. Public opinion on the subject has been gathering weight, and attention has been focused upon it by resolutions passed by foreign chambers of commerce and the activities of various Chinese associations.

On the whole the waterway from Woosung to Hankow offers little impediment to navigation, but there are certain crossings which in winter time seriously limit the draught of river steamers and cause delay and heavy expenses of lighterage to even partially loaded vessels which are considered to be avoidable. At Chinkiang a natural process of erosion and bank-forming is tending to isolate the port and, if unchecked, will, before many more years have passed, leave the port without direct access to the river. The Middle Yangtze—the section between Hankow and Ichang—and the Upper Yangtze—the section between Ichang and Chungking—present problems of a special kind, which a rapidly increasing steamer traffic are forcing upon the attention of the authorities and the various trading interests affected.

In order to study the question in all its aspects the Chinese Government, realising that it is far too large a one to be dealt with on local lines such as have initiated the various conservancy projects now in operation on the Liaoho, the Haiho, the Whangpoo, the Min River, and the Canton waterways, has constituted a Yangtze River Conservancy Discussion Commission with head-quarters in Peking. The Commission is presided over by the Minister of the Interior as chairman and the Minister of the Shui-wu Ch'u as vice-chairman, and among its members are to be found representatives from the various boards, the technical experts of the Ministry of the Interior, and Mr. van der Veen, the Chinese Government's Conservancy Adviser. The Inspector General of Customs has also been requested to attend the meetings, which are held once a week in the Ministry of the Interior.

While the Commission was in process of formation the Chinese Government invited an eminent foreign engineer to visit China in the autumn of 1922 to spend a considerable time on a detailed examination of the river and to submit a report on the conservancy problems involved. One of the first acts of the Commission after its formation was to appoint a preparatory Technical Committee to undertake the work of procuring certain necessary data indispensable for any serious consideration of these problems. The work necessitates establishing posts on the river and adjacent lakes for taking hydrometrical observations, the setting up of tide-gauges, the survey of certain special localities, the collection of maps and charts, and an examination of local records, etc.

The preparatory Technical Committee appointed to undertake this work consists of certain Chinese technical employees of the Ministry of the Interior, associated with Mr. Yang Pao-lin, a Chinese engineer of note who has done good work in connexion

with the Chihli Flood Prevention Commission, Mr. von Heidenstam, the Engineer-in-Chief of the Whangpoo Conservancy Board, Mr. Eldridge, Coast Inspector of the Marine Department of the Maritime Customs, and the aforesaid Mr. van der Veen. The estimate for the expenses of the Committee, for which a grant from revenue is now desired, was submitted by the above four members of the Committee who were specially deputed to meet at Shanghai and discuss the question.

The grant, if sanctioned, will not affect in any way the priority of the foreign loans and obligations. It was anticipated in the estimate laid before the Diplomatic Body by the Inspector General in connexion with the appropriation for the Wai-chiao Pu. The interests of trade at stake are so far-reaching and widespread that it may without question be considered a legitimate charge on the revenue derived from trade, and it deserves priority of claim over charges not so intimately associated with trade.

The Inspector General feels no hesitation in earnestly recommending this application to the approval of the Diplomatic Body.

F. A. AGLEN,

Inspector General of Customs.

PEKING, 6th April 1922.

ENCLOSURE No. 2.

稅務處來函第一三一三號中華民國十一年九月二十六日

逕啟者准海軍部咨開前經本部將海道測量任務船旗擬繪圖說呈奉

大總統核准在案茲將該旗圖說檢送三十紙咨處存查等因除由本處留存一紙備查外相應將前項旗

圖說二十九紙函送

台端查照轉令各關存查可也專此順頌

日社附旗圖說二十九紙

CIRCULAR No. 3340 (SECOND SERIES).

**Revised Import Tariff, 1922: to come into effect on
1st December 1922; instructions.**

INSPECTORATE GENERAL OF CUSTOMS,
PEKING, 4th October 1922.

SIR,

With reference to Circular No. 3274:*

Notifying that an International Commission for Revision of the Import Tariff, to raise it to an effective 5 per cent *ad valorem*, was about to sit in Shanghai and that the Chinese Delegation to this Commission was appointed by Presidential Mandate of 11th February:

and Circular No. 3310: (b.) Treaty between the Nine Powers relating to Chinese Customs Tariff, Article I, Annex, paragraph 6:

The Revised Tariff shall become effective as soon as possible but not earlier than two months after its publication by the Revision Commission:

I circulate, for your information and guidance, copy of Shui-wu Ch'u despatch No. 1339, from which you will see that the Revised Import Tariff was passed by the Revision Commission on the 26th September 1922† and that the new Tariff was to be published on 1st October 1922, and will come into force on 1st December 1922, except for shipments to China made prior to 1st December 1922.

A circular telegram to the above effect was sent to all the Maritime Custom Houses on the 30th September 1922.

I am, etc.,

F. A. AGLEN,
Inspector General.

* *Antea*, vol. iii, p. 659.

† As certain of the Powers signatory to the Nine Power Treaty declined at first to notify their acceptance of this revised Import Tariff, it was not put into force till the 17th January 1923 (*vide* I.G. Cir. No. 3371, *postea*, vol. iv).

ENCLOSURE.

稅務處令第一三三九號 中華民國十一年九月二十九日

頃准上海修改進口稅則委員會電稱本日大會業將新修稅則正式通過等因所有此次新修進口稅則應卽定以十月一日爲公布之期十二月一日實行惟貨物在十二月一日以前起運來華者仍應照舊則徵稅除分別電令各關監督遵照外相應抄錄原電令行總稅務司查照迅卽電令沿海沿江及邊境陸路各關稅務司一體遵照并趕於十月一日揭示俾衆週知可也此令

照錄上海修改稅則委員會電 民國十一年九月二十六日

外交部財政部農商部稅務處鈞鑒本日大會業將新修稅則正式通過各委對於實施手續已願聲請各本國政府允以十月一日爲公布之期並允於公布後兩月卽十二月一日實行惟貨物在十二月一日以前起運來華者應仍照舊則徵稅謹聞幹經弼典叩有

SEMI-OFFICIAL CIRCULAR No. 36.

Foreign Out-door Staff: dishonesty in lower ranks of; serious effect on interests and reputation of Customs Service as a whole; I.G.'s comments and instructions.

INSPECTORATE GENERAL OF CUSTOMS,
PEKING, *23rd January 1923.*

SIR,

1.—Cases of the proven dishonesty of foreign members of the Out-door Staff, particularly in connexion with the smuggling of opium and arms, have been distressingly frequent during the past year, and it is with very great concern that I find myself compelled to call attention to the very serious effect which this dishonesty in our foreign ranks is having, and is bound to have, on the interests and reputation of the Service as a whole.

2.—It must be clear to every foreign member of the Service, who pauses to consider, that the fundamental reason for the employment of foreigners in the Maritime Customs Service is their personal integrity and that on this personal integrity alone the continued employment of foreigners depends. Those more especially in the lower ranks must realise, or must be brought to realise, that their pay is much higher than that given to men performing similar duties in Western countries and that, in return for this higher pay, apart from the actual Customs duties they are required to perform, their presence or even the anticipation that they may be present at any moment, their personal example, and their devotion to duty are all expected to produce a moral effect. Such moral effect can only be obtained from men of a uniformly high standard of integrity; and if it is found impossible to rely on our new recruits to maintain the excellent example set by their predecessors who are now the senior members of the Out-door Staff, the employment of foreigners in the lower ranks of this branch of the Service must cease, for, as explained above, from the purely economical point of view, it is not justified.

3.—But apart from the particular interests of the Out-door Staff, the very existence of the Service as a whole is seriously imperilled by dishonesty in our foreign ranks. Great changes in China are impending, and the foreign Inspectorate is liable to be vigorously assailed. At no time has it been so imperative that the Service should uphold and display in all ranks those characteristics which should make the continued employment of foreigners of all classes, as they at present exist, if not indispensable, at any rate most desirable in the eyes of the Chinese themselves, both official

and mercantile. But if we, as foreigners, are unable to maintain throughout all ranks of the Service our high reputation for unimpeachable personal integrity, which alone justifies our continued existence, nothing can save the Service from disintegration. For if it be found that the employment of foreigners in one branch of the Service is not justifiable owing to the action of the foreigners themselves, the tendency to dispense with the foreign element in the Service, or at least greatly to curtail its activities—a tendency which is already apparent in some quarters,—will be reinforced and can only lead to the ultimate disappearance of the Service as a foreign organisation.

4.—Disciplinary measures, as laid down in Service rules, are, in view of the great temptations offered by this illegal traffic in opium and arms, proving to be insufficient to protect the reputation of the Service from the lapses of those men whose self-respect is not proof against the temptations to which they are subjected. Such men must be eliminated, and I speak with full knowledge of the danger to the continued existence of the Service arising from this cause when I say that only Service opinion can be depended on to save the situation and to guard the Service against those tendencies which, if not checked, will eventually lead to its destruction. The foreign members of the Out-door Staff must now, one and all, realise that their reputation is in their own hands, and they must guard it jealously.

5.—I earnestly appeal, therefore, to each individual to set his face against dishonesty in our ranks and to assist me in eliminating therefrom all who are a danger not only to themselves but to their colleagues.

6.—Ordinary disciplinary measures having proved insufficient to protect the reputation of the Service, I have determined—most repugnant though it is to me to wash our dirty linen in public—rigorously to prosecute in the national courts of the employees concerned all those who are convicted of dishonesty.

7.—A copy of this Circular is to be entered in the In-door Staff and Out-door Staff Order Books, and each Commissioner should assemble the foreign members of his staff, impress upon them the urgency of the situation, and make a personal appeal to all, on behalf of the Inspector General, to do their utmost to uphold the interests of the Service to which they belong.

I am, etc.,

F. A. AGLEN,
Inspector General.

CIRCULAR No. 3368 (SECOND SERIES).

**Sino-German Agreement, 1921: Inland Waters Steam Navigation
Certificates not to be issued to German vessels and charter
of junks by German firms and nationals
prohibited; instructions.**

INSPECTORATE GENERAL OF CUSTOMS,
PEKING, 3rd January 1923.

SIR,

I circulate, for your information and guidance, copy of Shui-wu Ch'u despatch No. 1860, from which you will see that, in connexion with an inquiry submitted by the Chungking Commissioner on behalf of the German Consul at Chungking and transmitted by me to the Shui-wu Ch'u, namely, whether Germans may be allowed to charter junks on the Upper Yangtze in accordance with the Additional Article to the Chefoo Agreement of 1890, the Wai-chiao Pu has ruled that Article III of the Sino-German Agreement of 1921 (Circular No. 3183) is to be read to confer on German nationals residing in China the same rights as are enjoyed by Chinese nationals residing in Germany. As Chinese residing in Germany do not enjoy the right of navigation of German inland waterways, Germans residing in China are not to be granted the privileges in respect of navigation of Chinese inland waterways enjoyed by nationals of Treaty Powers.

Although the interpretation now placed by the Wai-chiao Pu on Article III of the Sino-German Agreement, if applied strictly, would seem to debar German ships from the privilege of navigation of the Yangtze and West Rivers, you are for the present to confine yourself to refusing to issue Inland Waters Steam Navigation Certificates to German vessels and to prohibiting the charter of junks by German firms and nationals.

I am, etc.,

F. A. AGLLEN,
Inspector General.

ENCLOSURE.

稅務處令第一八六〇號 中華民國十一年十二月二十七日

案查關於德商請准掛旗華船在宜重間行駛貿易一事前據總稅務司函請核辦等情前來當經本處以英商在宜重之間得用掛旗華式船隻往來運貨係由前清光緒十六年烟台條約續增專條所准現在重慶德領事請求准予德商僱用掛旗華式船隻在宜重之間往來貿易本處查無何項專條之規定事關國際條約究竟應否照准之處應咨請核復以憑辦理等因咨行外交部去後茲准定字第九一八號咨復查中德協約第三條內載游歷居留及經營業務及工業之權利以第三國人民所能游歷居留及經營業務或工業之處爲限等語內港行船既未經該協約規定自不能援照第三國人民所有權利辦理至該約所謂平等相互主義係指中德兩國而言華船現尙未有在德國內港行駛者此次德商船隻擬在宜重間行駛中國政府自可無庸准許應咨復查照飭遵等因到處相應令行總稅務司查照轉令重慶關稅務司遵辦可也此令

CIRCULAR No. 3371 (SECOND SERIES).

**Revised Import Tariff, 1922: to come into effect on
17th January 1923; instructions.**

INSPECTORATE GENERAL OF CUSTOMS,
PEKING, *5th January 1923.*

SIR,

With reference to Circular No. 3340:

Revised Import Tariff, 1922: to come into effect on
1st December 1922; instructions:

and to my Circular telegram of 25th November 1922:

As Treaty Powers have not yet all notified assent, Revised Import Tariff will not come into force until further instructions from Chinese Government; notify and act accordingly.—AGLEN:

I append, for your information and guidance, copy of Shui-wu Ch'u despatch No. 8, from which you will see that, as all the Powers concerned have now notified their acceptance of the Revised Import Tariff of 1922, it will come into effect on 17th January 1923.

A Circular telegram instructing all Maritime Custom Houses to issue a Customs Notification to the above effect on 3rd January—thus giving the two weeks' notice desired—was despatched by me on 1st January.

You will note that shipments to China made prior to 17th January 1923 are to be admitted under the Revised Import Tariff of 1919.

I am, etc.,

F. A. AGLEN,

Inspector General.

ENCLOSURE.

稅務處令第八號 中華民國十二年一月三日

案查新修進口稅則訂於上年十二月一日實行本處業於上年第一三三九號文令行總稅務司電令各關稅務司遵照在案嗣因義國尚未一律承認故未能如期實行茲准外交部函開案查新修進口稅則定期施行一事茲准義國公使照稱本國政府對於前項新訂稅則應按照十月二十八日領銜公使照會中之主旨允予實行等因查此次新修稅則各國政府現已一致承認亟應定期實行以重稅課至十月二十八日領銜荷符使來照會聲明至少應於兩星期以前將切實奉行新稅則之確定日期由海關預爲通告係爲便於各商週知起見自可照辦應函達查照辦理等因前來本處查此事既准外交部函開前因所有此次新修進口稅則應即改定於民國十二年一月十七日實行惟貨物在一月十七日以前起運來華者仍應照舊則徵稅除分行外相應令行總稅務司查照迅電各關稅務司遵照辦理并於即日揭示俾衆週知可也此令

CIRCULAR No. 3397 (SECOND SERIES).

Superannuation and retirement: voluntary retirement with *pro rata* benefits after 35 years' service for foreign and Chinese employees alike: introduction of, notified.

INSPECTORATE GENERAL OF CUSTOMS,
PEKING, 3rd April 1923.

SIR,

With reference to Circular No. 3325:

Notifying you that a rule would be added to the existing superannuation and retirement rules permitting voluntary retirement at age 55 for foreign employees, and after 35 years' service for Chinese employees, with *pro rata* benefits calculated on the lines indicated in Circular No. 3262:

I have now to inform you that I have decided to modify this rule to the extent of permitting voluntary retirement for foreign and Chinese employees alike after 35 years' service, irrespective of actual age, with *pro rata* benefits calculated at age 60 and as defined in the fourth paragraph of Circular No. 3262.

I am, etc.,

F. A. AGLEN,
Inspector General.

SEMI-OFFICIAL CIRCULAR No. 38.

Staff requirements: comparative Return of Foreign and Chinese Staff required in the Revenue Department called for.

INSPECTORATE GENERAL OF CUSTOMS,
PEKING, 14th April 1923.

SIR,

The necessity for economy in Staff generally and in Foreign Staff in particular is becoming an increasingly important question. S/O Circular No. 28, of 12th December 1918, calling for a Return

of Staff Requirements, was issued at a moment of crisis, when the war situation had not merely created a numerical shortage of Staff but had also gravely disturbed the balance between the various branches of the *personnel*. A somewhat similar, though less acute, situation exists to-day. For various reasons, but in a great measure owing to services dispensed with for different offences, the Out-door Staff is seriously short, and the large list of promotions announced in Special Gazette No. 306, involving about one-half of the Foreign Out-door Staff, has profoundly disturbed the ratio between the Executive and Examination branches. A shortage all round in this department of the Service will exist for some time to come, but, whereas I expect to be able to meet requirements in the upper ranks of the Executive and in all ranks of the Examining branches, the deficit in Tidewaiters cannot be quickly remedied.

In the four years which have elapsed since S/O Circular No. 28 was issued, *i.e.*, from 1st January 1919 to 31st December 1922, the wastage in foreign Tidewaiters has exceeded all expectations, and this wastage has latterly shown a tendency to increase. There are objections to and difficulties in recruiting on a large scale, and a progressive and accelerated decrease in the number of foreign Tidewaiters, and a corresponding increase in the number of Chinese Tidewaiters, is the inevitable remedy. As a class, the foreign Tidewaiter—as the term is understood to-day—is doomed to eventual extinction, although the process of extinction must of necessity be gradual, and the junior Foreign Out-door Staff employee of the future, whatever designation may be given to him, will be entrusted with more important duties than is the case at present. Commissioners are, therefore, urged to take stock of the whole situation, to envisage a time when all non-responsible preventive duties will be allotted to Chinese under foreign supervision, and to endeavour gradually but consistently to train their Chinese Tidewaiters accordingly.

I append a *pro forma* Return of Staff Requirements, [F.—54],* which is in future to be made up on the 1st January and 1st June of each year and despatched as soon as possible after these dates to the Chief Secretary, in triplicate, without covering despatch. In compiling this Return I have to ask Commissioners to bear in mind the above remarks, to keep their requirements within the smallest possible limits consistent with efficiency, and, as far as the Out-door Staff is concerned, to regard it as a whole, and not as two separate entities, foreign and Chinese.

* Not printed.

The point to be borne in mind is that we are in a period of transition, when it is neither desirable nor possible to increase largely the number of foreign Tidewaiters, while we are not yet ready to replace them with Chinese. Meanwhile we must carry on with and make the best use of the men we have: use Chinese where we can and use foreigners, where we can, for supervisory rather than for detail duties.

I am, etc.,

CECIL A. V. BOWRA,
Officiating Inspector General, ad interim.

CIRCULAR No. 3422 (SECOND SERIES).

Chienhsi: fourth and final quarterly examination of: written tests in future to be set and marked by Inspectorate and oral examination to be conducted by oral examiner; instructions.

INSPECTORATE GENERAL OF CUSTOMS,
PEKING, 4th June 1923.

SIR,

With reference to Circular No. 2228:

Customs College, Peking: students graduated from:
instructions *re* employment of:

and more especially to paragraph 3 of the above Circular:

Calling for quarterly examinations of Chienhsi by
Commissioners, etc.:

I have now to inform you that I have decided, in the interests of uniformity and efficiency, and to enable me to determine which Chienhsi merit promotion to Assistant's rank, that the fourth and final quarterly examination of Chienhsi will in future be conducted, in respect of the written portion, on examination papers set and marked by the Inspectorate and that the oral examiner detailed for the Chinese examination of the foreign In-door Staff will conduct the oral portion. The tests set, both written and oral, will be in the Chinese and English languages as well as in general knowledge, Customs technique, and other work connected with the duties of Chienhsi.

But while a standard examination will ensure uniformity and will enable me to judge adequately the attainments acquired by examinees, it will still be necessary to supplement this information with preliminary and final reports from Commissioners, with special reference to personality, conduct, and office behaviour, as instructed in Circular No. 2228, § 3.

Chienhsi should in future be subjected to medical examination on first appointment as well as at the time of passing their fourth and final test (Circular No. 2832).

A later Circular will deal with details of the new procedure now outlined; meanwhile Commissioners at ports where Chienhsi are stationed are requested to communicate the contents of this Circular to the employees concerned.

I am, etc.,

CECIL A. V. BOWRA,
Officiating Inspector General, ad interim.

CIRCULAR No. 3452 (SECOND SERIES).

Quarantine: declaration and withdrawal of; notifications *in re*, to be sent between ports having direct intercourse; instructions.

INSPECTORATE GENERAL OF CUSTOMS,
PEKING, 31st October 1923.

SIR,

In Circular No. 1717 you were informed of the adoption at Shanghai of a new sanitary regulation which had been introduced with the object of obtaining uniformity in the definition of the term "epidemic" and the declaration of a port as "infected"; and Commissioners at ports where Port Sanitary Regulations were in force were instructed to take the necessary steps to have this new rule added to their Port Regulations.

At ports where occasion has arisen for revising their Sanitary Regulations Commissioners have taken the opportunity to have the new rule added. At other ports this has not yet been done, and the Commissioners concerned are reminded that the instructions of Circular No. 1717 should not be forgotten.

But whether the new rule has been officially added to the Regulations or not, the last paragraph thereof, namely:

It shall be the duty of the Commissioner of Customs to report to other ports the existence of epidemics at his own port: should be observed. All Commissioners should therefore be careful to inform the Commissioners at other ports with which his port is in constant communication by rail or steamer of the outbreak of epidemics at his own port in order that the necessary steps may be taken to institute Quarantine Regulations against it. Similarly, when the disease has fallen below the epidemic stage or disappeared altogether, the Commissioner should likewise inform his colleagues, so that Quarantine Regulations in force against his port may be removed.

I append for your information copy of despatch No. 6945 from the Amoy Commissioner, which makes clear the necessity of careful compliance with the above instructions.

I am, etc.,

CECIL A. V. BOWRA,
Officiating Inspector General, ad interim.

ENCLOSURE.

The Amoy Commissioner to the Inspector General.

No. 6945.

I.G.

AMOY, 6th October 1923.

Sir,

Having reference to I.G. Circular No. 1717:

Quarantine: declaration and withdrawal of, adoption at Shanghai of general standard of definition of, etc.: and, more particularly, to the last sentence of Shanghai despatch No. 11,244/I.G. of the 29th August 1910, a copy of which forms the enclosure of I.G. Circular No. 1717, which reads as follows:—

It shall be the duty of the Commissioner of Customs to report to other ports the existence of epidemics at his own port: I have the honour to suggest that, not only shall this suggestion be made the rule at all ports where an epidemic breaks out, but that

the Commissioners concerned shall also be required to notify other ports when an epidemic at their port has ceased to exist, or where the number of new cases of the epidemic disease has fallen below the epidemic stage.

At the present time the only office that regularly supplies this office with information regarding the state of public health during periods when epidemics are likely to occur in its district is the Kowloon office. This information is very useful at Amoy, as it enables this office to take action promptly and impose quarantine restrictions on vessels arriving from Hongkong as soon as the need for such measures arises.

In the case of other ports it is usually a mere matter of chance that this office obtains information about the outbreak of epidemic disease at any Chinese open port. In fact, I usually learn of the existence of epidemics at other Chinese ports by hearing that the Formosan ports, or Hongkong, are imposing quarantine restrictions on vessels arriving from these places. In the meantime it is usual to discover that several vessels have entered Amoy from the infected ports without having undergone quarantine inspection. Occasionally, when I have made inquiries by telegraph as to the state of public health at the port suspected of being infected, I learn that an infectious or contagious disease has already reached the epidemic stage, though the infected port has not notified this port of this dangerous state of affairs.

While it may not be necessary to notify all open ports in China of the outbreak of epidemics of plague, cholera, and other dangerous diseases, it would appear absolutely necessary to inform all ports which maintain frequent steamer or railway communication with the infected port. Further, when the disease has disappeared altogether, or fallen below the epidemic stage, early information relative to these facts would enable the quarantine authorities at this and other ports to remove quarantine restrictions promptly and thus save unnecessary payments of fees for quarantine inspections.

I have, etc.,

J. H. MACOUN,

Commissioner.

CIRCULAR No. 3462 (SECOND SERIES).

I.W.S.N. Certificates may be issued to German vessels, and German firms and nationals may charter junks; instructions.

INSPECTORATE GENERAL OF CUSTOMS,
PEKING, 23rd November 1923.

SIR,

With reference to Circular No. 3368, informing you that the Wai-chiao Pu had ruled that Article III of the Sino-German Agreement of 1921 (Circular No. 3183) should be read to confer on German nationals residing in China the same rights as are enjoyed by Chinese nationals residing in Germany, and that, as the latter do not enjoy the right of navigation on German inland waterways, Germans in China are not to be granted the privileges in respect of navigation of Chinese inland waterways enjoyed by nationals of Treaty Powers, I have now to circulate, for your information and guidance, copy of Shui-wu Ch'u despatch No. 1656, from which you will see that the Chinese Government has decided, as a special privilege, to allow German vessels to navigate Chinese inland waterways.

You are accordingly authorised to issue Inland Waters Steam Navigation Certificates to German vessels and to allow German firms and nationals to charter junks under the same conditions as apply to vessels and nationals of other Treaty Powers.

I am, etc.,

F. A. AGLEN,
Inspector General.

ENCLOSURE.

稅務處令第一六五六號 中華民國十二年十一月十五日

案准外交部函開德商船隻擬在內港行駛一案前經迭次往返函商嗣以德使屢次來照經本部以中德協約並無關於內港行船之規定惟爲增進兩國商務關係起見擬暫准德商船隻行駛但應遵照交通部輪船註冊給照章程報部領照並應切實遵守中國法令其或有修堤費用及碰損民船等事均與華輪一律辦理等語照復去後茲又准該使照稱近接各領事呈報各處海關稅務司以未奉到北京明文仍未允德商之請求內港開駛請速轉行各關稅務司照章辦理准予德商請求船隻內港行駛並請對於青島長沙兩處加急電行該稅務司遵照辦理等因並准該館派員來部面稱該船等亟待開行倘中國堅不允許惟有懸挂他國旗幟以利速行彼時中國亦無從限制云云本部查德船擬在內港行駛情勢頗爲迫切倘在我延不允許勢必使彼出於懸挂他國旗幟之一途不特感情徒傷且難施以何種限制聞德使對於德船遵章報部領照一節未允轉飭遵辦惟擔任修堤費用及碰損民船等事如經各國一律允認在彼當無異議本部以爲洋商船隻向在海關註冊領照若德船必須呈部核准未免強以所難至德國領事裁判權業經放棄德船應遵守中國法令似尙不生問題是交通部所擬限制德船辦法似可毋庸堅持此事迭經德使派員來部商請擬即通融准予德船在內港行駛除函商交通部外應請查照令知總稅務司飭關遵照辦理並盼見復等因當經本處函准交通部復稱此案外交部對於德船在內港行駛一節擬予通融照准本部可表同意等因到處自應查照辦理除函復外交部查照外相應令行總稅務司轉令各關稅務司遵照准予德船在內港行駛可也此令

CIRCULAR No. 3464 (SECOND SERIES).

Appraising Department, Shanghai: I.G.'s remarks *re* creation and working of: co-operation of Commissioners invited towards attainment of greater uniformity in settlement of duty questions; report on local rulings of duty treatment differing from general practice, etc., called for; instructions *re* future decisions concerning duty treatment, etc.

INSPECTORATE GENERAL OF CUSTOMS,
PEKING, 11th December 1923.

SIR,

Prior to the introduction of the Revised Import Tariff of 1919 complaints were constantly made by chambers of commerce and merchants concerning the differential treatment accorded to *ad valorem* articles, not necessarily at different ports but sometimes at the same port, where one merchant would pay on contract values, another on a value settled by himself with the Customs, and another only on invoice value.

With a view to remedying this undesirable state of affairs and in order to obtain more uniform treatment, the Appraising Department in the Shanghai Customs was inaugurated three years ago. To this Department has been transferred much of the work formerly so efficiently done by the Shanghai Memo. Desk. The great expansion of trade in recent years concentrating at Shanghai and the large revenue collected by the Shanghai Customs—in 1919 Shanghai, with a revenue collection of *Hk.Tls.* 14,289,736.506, accounted for 31 per cent of the whole Maritime Customs collection of China—made it undesirable from every point of view to entrust revenue interests so great to a desk in the office which, however efficiently manned, could no longer cope with business growing so rapidly in complexity as well as in volume. Apart, therefore, from meeting the complaints of the merchants, which on the whole were not unjustified, the creation of the Appraising Department had become an administrative need of such urgency that it could no longer be delayed. The Department is still in the evolutionary stage, but already it is more than justifying its existence, thanks to the personal guidance and attention given to it by the Shanghai Commissioner, Mr. Lyall, and the unremitting labours of the Chief Appraiser, Mr. Watson. If I do not mention by name the various Deputy Commissioners who have more immediately presided over its development, it is not because their services have not been noted and appreciated. A large measure of uniformity in the treatment of cargo has been attained, and the closer and more scientific attention to details of duty treatment is having a beneficial effect on the collection which it would be difficult to over-estimate.

Much, however, remains to be done and can only be accomplished when we shall have more space at our command and a greater number of trained Appraisers. Meanwhile you will readily understand that the Department is becoming of great assistance to myself in the settlement of duty questions, and it is to invite your co-operation towards the attainment of still greater uniformity that this Circular is written.

Cases are constantly coming to light which reveal unnecessary differentiation in duty treatment of both foreign and native articles at the various ports. Such lack of uniformity is of course mainly due to local rulings that have been made by Commissioners or Assistants without proper authority. As a first step towards ensuring uniformity of treatment as far as possible, I have to request you to furnish me with a report embodying particulars of all local rulings for duty treatment at your port in the past which are known to you to differ from those in force at any other port, or the correctness of which you have reason to doubt. Your report is to be sent through the Shanghai Commissioner, and, if it is a *nil* report, a *nil* memo. is to be forwarded. As a second step, and to prevent recurrence of such local rulings becoming port practice, I have to instruct you that, in future, any decision made concerning duty treatment is to be regarded as provisional until approved by myself. And in order that all such provisional decisions may come to me with as full particulars as possible, I have to request you to submit them on a form, [B.—30], a *pro forma* of which is appended. Supplies of these forms for your future use will be sent to you by the Statistical Secretary. These forms are also to come forward through the Shanghai Commissioner, who will record the Shanghai practice and the reasons therefor in the appropriate space.

Finally, I have to draw your attention to the fact that the Shanghai market values of native exports have occasionally been found to be far in excess of the so-called "Customs value" at the port of provenance. Steps will later on be taken to ensure a greater uniformity in this respect, but meanwhile, should you receive information from the Shanghai Commissioner that excessive differentiation exists between Shanghai and your port in the valuation of any article, you are to instruct your Appraiser or senior Examiner to have your local value thoroughly investigated.

I am, etc.,

F. A. AGLEN,
Inspector General.

ENCLOSURE.

Pro forma.

[B.—30]

TARIFF QUESTION UNIFORMITY OF PRACTICE.

Export TARIFF QUESTION NO.SUBJECT:— *Tobacco, Prepared, packed in cartons*

value.....

QUESTION RAISED:— *Should such tobacco pay as Tobacco, Prepared, Hk.Tls. 0.450 per picul, or 5 per cent ad valorem duty?*

TARIFF HEADING TO BE CONSIDERED:—

Chungking COMMISSIONER'S PROVISIONAL DECISION:— *To pay as Tobacco, Prepared.*REASONS FOR DECISION:— *The Tariff heading does not stipulate that such tobacco should be in bulk, and I therefore consider that the Tariff should be read as liberally as possible, especially as it is an export and the trade in local products should be fostered.*SHANGHAI PRACTICE:— *Such tobacco pays as Tobacco, Prepared, Hk.Tls. 0.450 per picul.*REASONS FOR SHANGHAI PRACTICE:— *Similar to those proposed by Chungking.*

INSPECTOR GENERAL'S DECISION:—

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